

School Jurisdictions



2

Section 2

FFCA Charter School Society
to Mother Earth's Children's
Charter School Society

we envision

we engage

Audited Financial Statements
For the Year Ended August 31, 2007

A printed copy of the audited financial statements of school jurisdictions (in three volumes) is available for reference at the following Alberta depository libraries:

- Alberta Government Library - Capital Boulevard Site
- Alberta Legislature Library
- Calgary Public Library
- Edmonton Public Library
- University of Alberta Library
- University of Calgary Library
- University of Lethbridge Library

These audited financial statements are available on the Internet
<http://www.education.gov.ab.ca/funding/afs/>

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School Jurisdictions Audited Financial Statements

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Almadina School Society to Evergreen Catholic Separate Regional Division No. 2

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Section 2 - School Jurisdictions F - M

FFCA Charter School Society
to Mother Earth's Children's
Charter School Society

For the Year ended August 31, 2007

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Section 3 of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2007 submitted by school jurisdictions whose legal name begins with the letters N through Z inclusive.

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**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The FFCA Charter School Society

Legal Name of School Jurisdiction

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Mailing Address

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Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of _____ The FFCA Charter School Society presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Candace Lyle

Name

ORIGINAL SIGNED*

Signature

SUPERINTENDENT

Jay Pritchard

Name

ORIGINAL SIGNED*

Signature

SECRETARY TREASURER OR TREASURER

Reta Morgan

Name

ORIGINAL SIGNED*

Signature

14-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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Auditors' Report

To the Members of
The FFCA Charter School Society

We have audited the statement of financial position of The FFCA Charter School Society as at August 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2007 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Alberta
October 19, 2007

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Praxity
MEMBER
GLOBAL ALLIANCE OF
INDEPENDENT FIRMS

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$3,365,427	\$2,748,867
Accounts receivable (net after allowances)	\$485,775	\$405,200
Prepaid expenses	\$140,641	\$167,929
Other current assets	\$0	\$0
Total current assets	\$3,991,843	\$3,321,996
School generated assets	\$0	\$0
Trust assets	\$72,508	\$52,322
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$0	\$0
Buildings	\$487,110	
Less: accumulated amortization	(\$78,596)	\$240,556
Equipment	\$1,085,057	
Less: accumulated amortization	(\$294,375)	\$531,758
Vehicles	\$0	
Less: accumulated amortization	\$0	\$0
Total capital assets	\$1,199,197	\$772,314
TOTAL ASSETS	\$5,263,548	\$4,146,632
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$723,076	\$811,647
Deferred revenue	\$1,310,942	\$900,107
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$0	\$0
Total current liabilities	\$2,034,018	\$1,711,754
School generated liabilities	\$0	\$0
Trust liabilities	\$72,508	\$52,322
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion of supported debt	\$0	\$0
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$612,036	\$369,086
Total long term liabilities	\$684,544	\$421,408
TOTAL LIABILITIES	\$2,718,562	\$2,133,162
NET ASSETS		
Unrestricted net assets	\$0	\$0
Operating Reserves	\$1,957,825	\$1,610,242
Accumulated Operating Surplus (Deficit)	\$1,957,825	\$1,610,242
Investment in capital assets	\$587,161	\$403,228
Capital Reserves	\$0	\$0
Total Capital Funds	\$587,161	\$403,228
Total net assets	\$2,544,986	\$2,013,470
TOTAL LIABILITIES AND NET ASSETS	\$5,263,548	\$4,146,632

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$18,530,700	\$18,403,069	\$15,940,338
Federal Government and/or First Nations	\$0	\$0	\$19,986
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$339,160	\$303,924	\$203,264
Transportation fees	\$674,691	\$705,750	\$529,779
Other sales and services	\$0	\$0	\$0
Investment income	\$133,760	\$25,000	\$64,838
Gifts and donations	\$0	\$0	\$318
Rentals of facilities	\$0	\$0	\$0
Net school generated funds	\$173,999	\$0	\$263,800
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$89,738	\$0	\$45,106
Total Revenues	\$19,942,048	\$19,437,743	\$17,067,429
EXPENSES			
Certificated salaries	\$9,465,143	\$8,978,260	\$7,980,833
Certificated benefits	\$874,926	\$1,030,110	\$775,043
Non-certificated salaries and wages	\$1,325,227	\$1,288,005	\$1,096,669
Non-certificated benefits	\$308,500	\$223,860	\$245,341
Services, contracts and supplies	\$7,033,352	\$8,143,011	\$6,563,518
Net school generated funds	\$173,999	\$0	\$263,800
Capital and debt services			
Amortization of capital assets			
Supported	\$89,738	\$0	\$45,106
Unsupported	\$139,647	\$0	\$42,191
Total Amortization of capital assets	\$229,385	\$0	\$87,297
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$19,410,532	\$19,663,246	\$17,012,501
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$531,516	(\$225,503)	\$54,928
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$531,516	(\$225,503)	\$54,928

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$531,516	\$54,928
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$89,738)	(\$45,106)
Total amortization expense	\$229,385	\$87,297
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$80,575)	\$127,210
Prepays and other current assets	\$27,288	(\$82,431)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$88,571)	(\$7,574)
Deferred revenue	\$410,835	(\$84,281)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$940,140	\$50,043
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$230,979)	(\$178,258)
Equipment	(\$425,289)	(\$257,865)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$656,268)	(\$436,121)
C. FINANCING ACTIVITIES		
Capital allocations	\$332,688	\$61,165
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$332,688	\$61,165
Net sources (uses) of cash during year	\$616,560	(\$324,913)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$2,748,867	\$3,073,780
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$3,365,427	\$2,748,867

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$2,013,470	\$403,228	\$0	\$1,610,242	\$0
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$2,013,470	\$403,228	\$0	\$1,610,242	\$0
Excess(def) of revenue over expenses	\$531,516		\$531,516		
Board funded capital transactions		\$323,580	(\$323,580)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$229,385)	\$229,385		
Amortization of capital allocations		\$89,738	(\$89,738)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$359,611)	\$359,611	
Net transfers from operating reserves			\$12,028	(\$12,028)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$2,544,986	\$587,161	\$0	\$1,957,825	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$369,086
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$369,086
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$332,688	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year	(\$332,688)	\$332,688
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$89,738
Balance at August 31, 2007	\$0	\$612,036

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

1. Purpose of the Society

The Society delivers educational programs, operating as the The FFCA Charter School Society under the authority of the *School Act*, Chapter S-3, Status of Alberta, January 2000. The Society was incorporated on March 21, 1996 under the *Societies Act* of Alberta. Through a charter established with the Minister of Education, the Society operates a charter school from six locations. The schools provide education from Early Childhood Services to Grade 12. The Charter was renewed for five years on August 31, 2007.

The Society receives block allocation for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

The Society is incorporated under the *Societies Act* of Alberta as a not-for-profit organization and is a registered charity and, as such, is exempt from income taxes.

2. Significant accounting policies

(a) Basis of accounting

The financial statements are prepared in accordance with Canadian generally accepted accounting principles using the deferral method of accounting for not-for-profit organizations.

(b) Amortization

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Only capital assets with costs in excess of \$5,000 are capitalized.

Amortization on capital assets is provided on a straight-line basis over the following range of years:

Site improvements	20 years
Portable buildings	10 years
Furniture and equipment	10 years
Computer equipment and software	5 years
Leasehold improvements	10 years
Leasehold improvements - central office	5 years

(c) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and investments in guaranteed investment certificates, bearing interest at 4.5%, with maturities of three months or less as at August 31, 2007.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

(d) School generated funds

Funds generated from school based activities are included as assets, liabilities, revenue and expenses of the school authority because the accountability and control/ownership of these funds rests with school authority officials or their appointee. Revenue from school generated funds is recognized as the related expenses are incurred.

(e) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(f) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

(g) Pensions

Pension costs included in these financial statements as part of salary and benefits comprise the cost of employer contributions for current service of support staff employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the The FFCA Charter School Society does not make pension contributions for certificated staff.

(h) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

(i) Contributed materials and services

Contributed materials and services which are used in the normal course of the Society's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Volunteers assist the school in carrying out certain activities. Because of the difficulty of determining their fair market value and of the fact that such assistance is generally not otherwise purchased, contributed services of this nature are not recognized in the financial statements.

(j) Operating and capital reserves

Reserves are established at the discretion of the Board of Directors of the Society, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

(k) Future accounting pronouncements

As of October 1, 2007, the Society will be required to adopt two new CICA standards, Section 3862 "Financial Instruments - Disclosures" and Section 3863 "Financial Instruments - Presentation", which will replace Section 3861 "Financial Instruments - Disclosure and Presentation". The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements. The new financial instruments presentation and disclosure requirements were issued in December 2006 and the Society is assessing the impact on its financial statements.

As of October 1, 2007, the Society will be required to adopt CICA Section 1535 "Capital Disclosures", which will require additional disclosures of objectives, policies and processes for managing capital. In addition, disclosures will include whether companies have complied with externally imposed capital requirements. The new capital disclosure requirements were issued in December 2006 and the Society is assessing the impact on its financial statements.

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of the plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The Society continues to monitor and assess the impact of the convergence of Canadian GAAP and IFRS.

3. Measurement uncertainty

The valuation of accounts receivable is based on management's best estimate of the provision for doubtful accounts.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

The valuation of capital assets is based on management's best estimates of the future recoverability of these assets and the determination of costs subject to classification as capital assets. The amounts recorded for amortization of the capital assets are based on management's best estimates of the remaining useful lives and period of future benefit of the related assets.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

4. Accounts receivable

	2007	2006
Alberta Education	\$ 183,550	\$ 183,550
Federal Government	115,002	117,550
GWL- Tenant Allowance	100,000	-
First Calgary - GIC Interest	63,168	48,298
Other receivables	<u>24,055</u>	<u>55,802</u>
	<u>\$ 485,775</u>	<u>\$ 405,200</u>

5. Capital assets

	Cost	Accumulated Amortization	Net Book Value	
			2007	2006
Site improvements	\$ 128,499	\$ 19,275	\$ 109,224	\$ 115,649
Portable buildings	128,673	12,867	115,806	40,792
Furniture and equipment	238,018	58,918	179,100	174,743
Computer equipment	619,047	177,172	441,875	202,325
Software	99,493	39,009	60,484	39,041
Leasehold improvements	215,340	37,110	178,230	199,764
Leasehold improvements - central office	<u>143,097</u>	<u>28,619</u>	<u>114,478</u>	<u>-</u>
	<u>\$ 1,572,167</u>	<u>\$ 372,970</u>	<u>\$ 1,199,197</u>	<u>\$ 772,314</u>

Amortization expense for the year is \$229,385 (2006 - \$87,297) and this amount has been allocated to technology, facilities, general and administrative and campus resources expenses.

The FFCA Charter School Society
Notes to Financial Statements
August 31, 2007

6. Accounts payable

	2007	2006
Calgary Board of Education	\$ 162,262	\$ 162,262
Acrodex	97,018	144,916
Alberta Education (LRC)	40,099	32,704
McGraw Hill	24,516	51,002
PC Corp.	35,042	-
Other payables	<u>364,139</u>	<u>420,763</u>
	<u>\$ 723,076</u>	<u>\$ 811,647</u>

7. Deferred revenue

	2007	2006
Province of Alberta Education funding	\$ 46,795	\$ -
Parent fees received in advance	789,303	670,303
Campus based revenue	<u>474,844</u>	<u>229,804</u>
	<u>\$ 1,310,942</u>	<u>\$ 900,107</u>

8. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent the unamortized portion of restricted contributions received.

The change in deferred contributions balance for the year is as follows:

	2007	2006
Balance, beginning of year	\$ 369,086	\$ 353,027
Add: Contributions received during the year	332,688	61,165
Less: Amounts amortized to revenue during the year	<u>(89,738)</u>	<u>(45,106)</u>
Balance, end of year	<u>\$ 612,036</u>	<u>\$ 369,086</u>

9. Other financial information

At the end of the current fiscal year, the Society held funds in trust of \$4,547 (2006 - \$5,633) from other charter schools that belong to the Association of Alberta Public Charter Schools. These funds were related to conference fees that these other charter schools designated the Society to hold until the conference occurs.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

10. Commitment

The Society leases seven locations; six of these are for campuses and one is for its head office. One campus is leased from the Calgary Catholic School Board, and this lease expires June 30, 2008. The other five campuses are leased from the Calgary Board of Education and the leases expire July 31, 2012. The Society's head office location is leased until March 31, 2012. The Society's minimum annual lease payments for the next five years are as follows:

2008	\$ 2,202,313
2009	2,202,313
2010	2,202,313
2011	2,170,113
2012	<u>1,989,146</u>
	<u>\$ 10,766,198</u>

11. Economic dependence on related third party

The Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

12. Financial instruments

(a) Fair values

The fair values of the Society's cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and school council funds approximate their carrying values because of their short-term nature.

(b) Credit risk

The Society has a concentration of credit risk with respect to accounts receivable in that 40% (2006 - 45%) of its accounts receivable is due from the Alberta government.

13. Contingency

The Society is a member of a reciprocal insurance exchange called Jubilee Reciprocal. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of the equity is subject to liability claims.

14. Budget amounts

The 2007 budget for the Society was approved by the Board and has been reported in the financial statements for information purposes only. These budgeted amounts have not been audited.

The FFCA Charter School Society

Notes to Financial Statements

August 31, 2007

15. Related party transactions

Effective 2005 - 2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The FFCA Charter School Society has related party transactions for the year ended August 31, 2007 with Calgary Board of Education, Calgary Catholic Board of Education recorded on the statement of revenues and expenses and statement of financial position, at the amount of consideration agreed upon between the related parties.

	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta				
Education	\$ 201,265	\$ 86,894	\$ 18,530,700	\$ 104,226
Infrastructure & Transportation	10,046	-	-	-
Health & Wellness	-	9,328	-	-
Other				
Other Alberta school jurisdictions	-	165,419	-	2,192,020
Total 2006 - 2007	<u>\$ 211,311</u>	<u>\$ 261,641</u>	<u>\$ 18,530,700</u>	<u>\$ 2,296,246</u>
Total 2005 - 2006	<u>\$ 183,550</u>	<u>\$ 162,262</u>	<u>\$ 15,940,338</u>	<u>\$ 2,184,145</u>

Expenses paid to Calgary Board of Education for leases and maintenance amount to \$1,983,313 and Calgary Catholic Board of Education for leases amount to \$193,620. These amounts are included in facilities expenses on the statement of operations.

16. Remuneration and monetary incentives

The Society paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

The FFCA Charter School Society
Notes to Financial Statements
August 31, 2007

Board Members	FTE	Remuneration	Benefits	Expenses
B. McGregor, Chair		\$ 14,175	\$ 1,315	\$ 7,639
C. Lyle		7,200	668	5,674
C. Best		2,700	250	625
J. Cox		2,475	230	114
R. Droppo		2,625	244	1,642
S. Chu		1,200	111	679
G. Schuster		<u>1,725</u>	<u>160</u>	<u>534</u>
Subtotal		32,100	2,978	16,907
Superintendent	1.0	160,709	29,328	6,508
Secretary treasurer	1.0	106,417	17,488	2,438
Certified teachers	146.3	9,304,434	845,598	-
Non-certified	36.1	<u>1,186,709</u>	<u>288,034</u>	<u>-</u>
		<u>\$ 10,790,369</u>	<u>\$ 1,183,426</u>	<u>\$ 25,853</u>

These expenses are recorded on the statement of operations as salaries, Alberta initiative for school improvement, professional development and board costs.

17. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

The FFCA Charter School Society

Legal Name of School Jurisdiction

240, 688 Heritage Drive SE, Calgary, Alberta T2H 1M6

Mailing Address

403.520.3206 (phone) 403.520.3209 (fax)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Reta Morgan

Name

"ORIGINAL SIGNED"

Signature

14-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE A

School Jurisdiction Code: 9

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$18,530,700	\$13,313,481	\$3,588,713	\$831,140	\$817,358	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$0		\$0			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$0	\$0	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$339,160	\$339,160				
(10) Transportation fees	\$674,891			\$674,891		
(11) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$0
(12) Investment income	\$133,760	\$0	\$0	\$0	\$133,760	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$173,989	\$173,989			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$89,738	\$45,106	\$44,632	\$0		\$0
(18) TOTAL REVENUES	\$19,942,048	\$13,871,756	\$3,613,345	\$1,505,831	\$951,116	\$0
EXPENSES						
(19) Certificated salaries	\$9,485,143	\$9,304,434			\$160,709	\$0
(20) Certificated benefits	\$874,926	\$845,598			\$29,328	\$0
(21) Non-certificated salaries and wages	\$1,325,228	\$914,178	\$129,298	\$23,378	\$258,372	\$0
(22) Non-certificated benefits	\$308,500	\$241,348	\$18,610	\$0	\$48,542	\$0
(23) SUB - TOTAL	\$11,873,795	\$11,305,558	\$147,908	\$23,378	\$496,951	\$0
(24) Services, contracts & supplies	\$7,033,353	\$1,738,337	\$3,233,982	\$1,843,041	\$419,983	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$173,989	\$173,989				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$89,738	\$45,106	\$44,632	\$0	\$0	\$0
(28) Unsupported	\$139,647	\$105,545	\$11,787	\$4,163	\$18,152	\$0
(29) Total Amortization	\$229,385	\$150,651	\$56,419	\$4,163	\$18,152	\$0
Interest on capital debt						
(30) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$19,410,532	\$13,386,545	\$3,438,319	\$1,670,582	\$935,086	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$531,516	\$505,211	\$175,026	(\$164,751)	\$16,030	\$0

SCHEDULE B ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$11,897,308
Additional Funding for Differential Cost Factors	\$5,387,082
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,200,865
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISi)	\$201,065
SuperNet Services	\$24,189
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$20,102
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describes)	\$0
Total Alberta Education Revenues	\$18,530,700

SCHEDULE C ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$1,132,775	\$813,943	\$484,218		\$0	\$150,651	\$2,381,587
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$0	\$0	\$0		\$0		\$0
ECS Program Unit (PUF)	\$0	\$0	\$0		\$0		\$0
Severe Disabilities (Gr 1-12)	\$0	\$0	\$0		\$0		\$0
English as a Second Language (ESL)	\$62,453	\$155,847	\$2,730		\$0		\$220,730
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$53,387	\$0	\$147,512	\$0	\$0		\$200,879
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$27,191		\$0		\$27,191
Class Size Initiative	\$1,200,865	\$0	\$0	\$0	\$0		\$1,200,865
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$7,700,472	\$388,038	\$889,013	\$599,872	\$0	\$0	\$9,355,193
TOTAL EXPENSES	\$10,150,032	\$1,155,528	\$1,310,864	\$599,872	\$0	\$150,651	\$13,366,545

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$19,418,632
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$1,164,632
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,388	\$233,464	\$1,164,632
If School Board, please enter your 2006-2007 Gr 1-12 funded enrolment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$1,164,632
Less: 2006/2007 Board and System Administration expenses		-\$935,086
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$229,546

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$0
Sources of School Generated Funds:		
	Gross SGF	Related Expenses
Fundraising activities	\$68,377	\$22,133
Student fees (Non-instructional) (Note 1)	\$285,515	\$228,263
Donations and grants to schools	\$70,503	\$0
Other (describe):	\$0	\$0
Net Additions to SGF	\$424,395	\$250,396
Net SGF Available		\$173,999
Uses of Net School Generated Funds:		
Extra-curricular activities		\$49,388
School site beautification		\$0
Field Trips		\$35,757
Equipment		\$88,854
Family literacy and other community resources		\$0
Other (describe):		\$0
Total Uses of Net SGF (Note 2)		\$173,999
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$0
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

FOOTHILLS SCHOOL DIVISION #38

Legal Name of School Jurisdiction

Box 5700, High river, AB T1V 1M7

Mailing Address

Phone: (403)652-3001 Fax: (403)652-4204

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of FOOTHILLS SCHOOL DIVISION #38
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Doug Gardner

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

James P. McLellan

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Andrew F. Chipman

Name

"ORIGINAL SIGNED"

Signature

19-Dec-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 319-0000)

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AUDITORS' REPORT

**To: The Board of Trustees
Foothills School Division #38**

We have audited the statement of financial position of Foothills School Division #38 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2007, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian Generally Accepted Accounting Principles.

**HIGH RIVER, ALBERTA
NOVEMBER 12, 2007**

Catalyst LLP

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$9,477,455	\$7,854,545
Accounts receivable (net after allowances)	\$1,071,783	\$891,236
Prepaid expenses	\$272,966	\$218,856
Other current assets	\$0	\$0
Total current assets	\$10,822,204	\$8,964,637
School generated assets	\$1,033,630	\$863,080
Trust assets	\$434,882	\$409,029
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$1,643,103	\$1,643,103
Buildings	\$96,081,097	
Less: accumulated amortization	(\$45,214,862)	\$47,032,615
Equipment	\$4,868,519	
Less: accumulated amortization	(\$2,472,954)	\$2,496,612
Vehicles	\$6,623,693	
Less: accumulated amortization	(\$4,411,188)	\$2,212,505
Total capital assets	\$59,117,408	\$53,495,515
TOTAL ASSETS	\$71,408,124	\$63,732,261
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$4,057,142	\$3,269,195
Deferred revenue	\$1,310,634	\$685,102
Deferred capital allocations	\$1,345,672	\$1,962,385
Current portion of all long term debt	\$1,028,410	\$1,203,958
Total current liabilities	\$7,741,858	\$7,120,640
School generated liabilities	\$1,033,630	\$863,080
Trust liabilities	\$434,882	\$409,029
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$3,301,323	\$4,173,411
Less: Current portion of supported debt	(\$810,586)	(\$871,588)
Unsupported: Debentures and Capital Loans	\$0	\$95,000
Capital Leases	\$706,232	\$810,286
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$217,822)	(\$332,370)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$47,929,567	\$40,923,667
Total long term liabilities	\$52,377,224	\$46,070,515
TOTAL LIABILITIES	\$60,119,082	\$53,191,155
NET ASSETS		
Unrestricted net assets	\$0	\$0
Operating Reserves	\$2,025,197	\$1,704,332
Accumulated Operating Surplus (Deficit)	\$2,025,197	\$1,704,332
Investment in capital assets	\$7,206,774	\$7,500,649
Capital Reserves	\$2,057,070	\$1,336,125
Total Capital Funds	\$9,263,844	\$8,836,774
Total net assets	\$11,289,041	\$10,541,106
TOTAL LIABILITIES AND NET ASSETS	\$71,408,123	\$63,732,261

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$55,259,893	\$52,796,100	\$52,020,295
Federal Government and/or First Nations	\$379,108	\$258,900	\$231,859
Other Alberta school authorities	\$30,426	\$0	\$28,000
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$32,575	\$45,000	\$71,700
Instruction resource fees	\$545,752	\$455,300	\$500,203
Transportation fees	\$34,322	\$65,000	\$34,401
Other sales and services	\$271,963	\$230,700	\$188,242
Investment income	\$330,167	\$70,000	\$223,822
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$58,109	\$25,000	\$47,583
Net school generated funds	\$1,581,502	\$300,000	\$1,432,191
Gains on disposal of capital assets	\$427,070	\$0	\$27,029
Amortization of capital allocations	\$2,266,103	\$2,248,000	\$2,169,640
Total Revenues	\$61,216,990	\$56,494,000	\$56,974,965
EXPENSES			
Certificated salaries	\$29,719,961	\$27,922,900	\$27,777,093
Certificated benefits	\$3,644,388	\$3,959,200	\$2,877,511
Non-certificated salaries and wages	\$7,850,411	\$8,442,400	\$7,729,967
Non-certificated benefits	\$1,866,703	\$2,373,000	\$1,948,539
Services, contracts and supplies	\$11,591,066	\$9,264,300	\$10,113,987
Net school generated funds	\$1,581,502	\$300,000	\$1,432,191
Capital and debt services			
Amortization of capital assets			
Supported	\$2,259,120	\$2,248,000	\$2,394,659
Unsupported	\$1,488,224	\$1,470,000	\$1,287,300
Total Amortization of capital assets	\$3,747,344	\$3,718,000	\$3,681,959
Interest on capital debt			
Supported	\$426,006	\$432,500	\$523,802
Unsupported	\$40,547	\$35,100	\$45,233
Total Interest on capital debt	\$466,553	\$467,600	\$569,035
Other interest charges	\$1,127	\$46,600	\$2,543
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$60,469,055	\$56,494,000	\$56,132,825
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$747,935	\$0	\$842,140
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$747,935	\$0	\$842,140

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$747,935	\$842,140
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,266,103)	(\$2,169,640)
Total amortization expense	\$3,747,344	\$3,681,959
Gains on disposal of capital assets	(\$427,070)	(\$27,029)
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$180,547)	\$1,988,745
Prepays and other current assets	(\$54,110)	(\$46,296)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$787,947	\$1,539,480
Deferred revenue	\$625,532	(\$510,698)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,980,928	\$5,298,661
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$8,400,415)	(\$5,323,959)
Equipment	(\$669,530)	(\$940,589)
Vehicles	(\$353,291)	(\$340,939)
Net proceeds from disposal of capital assets	\$481,070	\$35,280
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$8,942,166)	(\$6,570,207)
C. FINANCING ACTIVITIES		
Capital allocations	\$7,783,702	\$1,366,693
Issue of long term debt	\$214,653	\$256,659
Repayment of long term debt	(\$1,285,795)	(\$1,256,159)
Add back: supported portion	\$871,588	\$871,588
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$7,584,148	\$1,238,781
Net sources (uses) of cash during year	\$1,622,910	(\$32,765)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,854,545	\$7,887,310
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$9,477,455	\$7,854,545

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$10,541,106	\$7,500,649	\$0	\$1,704,332	\$1,336,125
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$10,541,106	\$7,500,649	\$0	\$1,704,332	\$1,336,125
Excess(def) of revenue over expenses	\$747,935		\$747,935		
Board funded capital transactions		\$884,317	\$0	\$0	(\$884,317)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$3,747,344)	\$3,747,344		
Amortization of capital allocations		\$2,266,103	(\$2,266,103)		
Disposal of unsupported capital assets	\$0	(\$54,000)	\$54,000		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$357,049	(\$357,049)		
Net transfers to operating reserves			(\$582,131)	\$582,131	
Net transfers from operating reserves			\$261,266	(\$261,266)	
Net transfers to capital reserves			(\$1,605,262)		\$1,605,262
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$11,289,041	\$7,206,774	\$0	\$2,025,197	\$2,057,070

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,962,385	\$40,923,667
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,962,385	\$40,923,667
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$7,477,136	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$84,042	
Interest earned on provincial government capital allocations	\$102,524	
Other capital grants and donations	\$120,000	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$871,588
Expended capital allocations - current year	(\$8,400,415)	\$8,400,415
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,266,103
Balance at August 31, 2007	\$1,345,672	\$47,929,567

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Funding from the provincial government and other agencies that are externally restricted for purchases of capital assets are recorded as deferred capital allocations until spent. Interest earned on these deferred capital allocations is also recorded as deferred capital allocations until spent on capital projects. Once spent, they are transferred to unamortized capital allocations, and are amortized on the same basis as the capital assets to which the funding relates.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b. Prepaid expenses

Supplies purchased for courses and programs conducted in a future period are recorded as prepaid expenses.

c. Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

d. Capital assets

Capital assets are recorded at cost and are being amortized over their estimated useful lives on a straight-line basis, commencing in the year following addition up to and including the year of disposal. Only assets with a value greater than \$5,000 are capitalized and amortized. The annual amortization rates are as follows:

Buildings	3-6%
Equipment	20%
Vehicles	10-20%

e. Financial instruments

The division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, capital lease obligation and long-term debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted the fair value of these financial instruments approximates their carrying values. The division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

f. School Generated Funds

These are funds, which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.). Funds generated from school-based activities are recorded as follows:

Unexpended school generated funds are recorded as an asset and liability of the school jurisdiction as the use of these funds is subject to restrictions imposed by the individual fund raising group.

Costs of generating school funds include direct expenses incurred in generating these funds. Amounts expended on school activities, supplies, other instructional expenses or capital items are reported as application of school generated funds for the year.

g. Pensions

Pension costs included in salaries and benefits comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Foothills School Division No. 38 (the "Division") does not make pension contributions for certificated staff; therefore no disclosure has been made with regard to the effect of the Division's teachers' participation in the pension plan.

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$469,494 (2006 - \$455,006) and is included in salaries, wages and benefits. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

The Division also has a non-registered Supplemental Integrated Pension Plan (SIPP), which is a defined benefit plan for designated employees. The benefits are based on years of service and the employee's final average earnings. The cost of this program is not currently being funded.

The Division accrues its obligations under employee defined benefit plans as the employees render the services necessary to earn the pension.

h. Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the division, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i. Contributed services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

j. Cash and cash equivalents

Cash and temporary investments consist of cash on hand and balances with banks.

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Learning	\$ -	\$ -
Alberta Infrastructure	300,802	371,670
Other	770,981	519,566
	<u>\$ 1,071,783</u>	<u>\$ 891,236</u>

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

4. CAPITAL ASSETS

			2007	2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,643,103	\$ -	\$ 1,643,103	\$ 1,643,103
Buildings	98,081,097	45,214,862	52,866,235	47,032,615
Equipment	4,868,519	2,472,954	2,395,565	2,496,612
Vehicles	6,623,693	4,411,188	2,212,505	2,232,185
	<u>\$111,216,412</u>	<u>\$ 52,099,004</u>	<u>\$59,117,408</u>	<u>\$53,495,515</u>

5. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Renewal funding	\$ 707,221	\$ 243,335
AISI (Alberta Initiative for School Improvement) funding	258,017	-
Classroom resources	156,000	156,000
Video conference initiative	19,869	103,207
Other	127,559	164,406
SHIP (Student Health Initiative Program) funding	41,968	18,154
	<u>\$ 1,310,634</u>	<u>\$ 685,102</u>

6. DEFERRED CAPITAL ALLOCATIONS

Grants and contributions received and interest earned thereon in respect of capital assets which were not acquired prior to year-end are recorded as deferred capital allocations. The changes in deferred capital allocations for the year are as follows:

	2007	2006
Balance beginning of year	\$1,962,385	\$5,904,413
Capital allocations	7,783,702	1,366,693
Capital assets acquired	(8,400,415)	(5,308,721)
	<u>\$1,345,672</u>	<u>\$1,962,385</u>

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

7. OBLIGATIONS UNDER CAPITAL LEASE

Under terms of various equipment leases expiring between November 2006 and June 2011, the Division is committed to minimum annual lease payments, including interest at annual rates from 4.56% to 6.37% as follows:

2008	\$ 255,023
2009	252,073
2010	183,565
2011	75,435
2012	27,386
Total future minimum lease payments	793,482
Less amount representing interest	87,250
Present value of minimum net lease payments	706,232
Less current portion	217,822
	<u>\$ 488,410</u>

8. LONG-TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five year and beyond are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007-2008	810,588	328,210	1,138,798
2008-2009	562,324	237,255	799,579
2009-2010	341,288	176,038	517,326
2010-2011	231,083	141,346	372,429
2011-2012	184,800	119,878	304,678
2012 to maturity	1,171,240	385,053	1,556,293
Total	<u>3,301,323</u>	<u>1,387,780</u>	<u>4,689,103</u>

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

9. UNAMORTIZED CAPITAL ALLOCATIONS

Includes the unamortized portion of:

- contributions for the acquisition of capital assets
- the Division's accumulated net equity in certain school buildings
- debenture repayments made by the provincial government

The change in unamortized capital allocations for the year is as follows:

	2007	2006
Balance, beginning of year	\$ 40,923,667	\$ 36,912,998
Expended capital allocation	8,400,415	5,308,721
Debenture principal repayments	871,588	871,588
Amortization of capital allocations	(2,266,103)	(2,169,640)
	<u>\$ 47,929,567</u>	<u>\$ 40,923,667</u>

Capital allocations are amortized on a basis consistent with the capital asset that the allocation funded.

10. RESTRICTED FUNDS

Restricted funds, created by authorization of the Board of Trustees, represented funds allocated for future capital expenditures and operating expenses. The restricted funds are established and expended in accordance with terms and conditions established by the Board.

	August 31, 2006	Appropriated during the year	Utilized during the year	August 31, 2007
Operating				
Infrastructure	\$ 394,919	\$ -	\$(261,266)	\$ 133,653
Instruction	1,205,009	282,573	-	1,487,582
Transportation	31,140	270,511	-	301,651
Administration	73,264	29,047	-	102,311
	<u>1,704,332</u>	<u>582,131</u>	<u>(261,266)</u>	<u>2,025,197</u>
Capital				
Land	5,180	-	-	5,180
Buildings	231,905	529,025	-	760,930
Equipment	405,594	594,899	(531,026)	469,467
Vehicles	693,446	481,338	(353,291)	821,493
	<u>1,336,125</u>	<u>1,605,262</u>	<u>(884,317)</u>	<u>2,057,070</u>
	<u>\$ 3,040,457</u>	<u>\$2,187,393</u>	<u>\$(1,145,583)</u>	<u>\$4,082,267</u>

During the year, the Division received \$463,704 as proceeds for disposition of a maintenance building. This disposition has been recorded as a gain on disposal of capital assets on the Statement of Revenues and Expenses. These funds have been appropriated to capital reserves to fund future building construction or acquisition.

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

11. COMMITMENT

Service Providers

As at August 31, 2007, the Division has annual commitments of \$2,254,000 (2006 - \$2,002,347) to a service provider. Current contracts will expire in June 30, 2011 and be renegotiated at that time.

12. ECONOMIC DEPENDENCE

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

13. OPERATING LOAN

The Division has a credit facility agreement in place that permits borrowing upon written request and approval by the Board of Trustees at competitive rates. No collateral security will be required for the facility other than the standard Banking Resolutions and confirmation of the legal ability to borrow. As at August 31, 2007, the Division has not needed to request borrowing against this facility.

14. NET ASSETS

	2007	2006
Investment in capital assets	\$ 7,206,774	\$ 7,500,649
Restricted funds (Note 12)	4,082,267	3,040,457
	<u>\$11,289,041</u>	<u>\$10,541,106</u>

15. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Scholarship Trusts	<u>\$434,882</u>	<u>\$409,029</u>

FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

16. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
2006 - 2007				
Government of Alberta				
Education	\$ 0	\$ 0	\$54,832,444	\$ 0
Infrastructure & Transportation	300,802	0	0	0
Finance	187,087	187,087	426,006	0
Health & Wellness	0	0	0	0
Human Resources/Employment	0	0	0	0
Other Gov't of Alberta departments	1,445	0	1,445	0
Other				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta school jurisdictions	0	0	30,426	0
Other related parties	0	0	0	0
Total 2006 - 2007	\$ 489,334	\$187,087	\$55,290,321	\$ 0
Total 2005 - 2006	\$ 633,022	\$253,552	\$52,048,295	\$ 0

17. BUDGET AMOUNTS

The budget was prepared by the school division and approved by the Board of Trustees on June 21, 2006. It is presented for information purposes only and has not been audited.

18. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

**FOOTHILLS SCHOOL DIVISION NO. 38
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

19. REMUNERATION AND MONETARY INCENTIVES

The Foothills School Division had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/Other	Expenses
Chairperson							
Muelaner, Jerry	1.0	\$ 22,730	\$ 832				\$ 8,722
Other Board Members							
Gardner, Douglas	1.0	\$ 16,578	\$ 650				\$ 5,593
Lippitt, Faye	1.0	\$ 15,378	\$ 595				\$ 7,636
Longson, Rhonda	1.0	\$ 16,128	\$ 630				\$ 5,992
Copland, Laurie	1.0	\$ 12,978	\$ 476				\$ 1,432
Subtotal	5.0	\$ 83,792	\$ 3,183				\$ 29,375
Superintendent							
McLellan, James	1.0	\$ 135,300	\$ 10,128			\$ 20,667	\$ 7,035
Secretary/Treasurer							
Chipman, Drew	1.0	\$ 115,700	\$ 20,768				\$ 9,759
Certificated Teachers	393.6	\$ 29,563,994	\$ 3,634,260				
Uncertificated Salaries & Wages	324.7	\$ 7,650,919	\$ 1,842,752				
TOTALS		\$ 37,549,705	\$ 5,511,091			\$ 20,667	\$16,794

ERIP's/Other – This amount represents the Board's buyout of a previously negotiated contractual obligation.

No allowances or performance bonuses have been paid during the year.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Foothills School Division # 38

Legal Name of School Jurisdiction

Box 5700, High River, AB T1V 1M7

Mailing Address

Phone: (403)652-3001 Fax: (403)652-4204

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Andrew F. Chipman

Name

"ORIGINAL SIGNED"

Signature

19-Dec-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L8
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Cod

1180

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$54,832,444	\$42,512,150	\$6,763,010	\$3,440,139	\$2,106,431	\$10,714
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$426,006		\$426,006			\$0
(4) Other - Government of Alberta	\$1,445	\$0	\$0	\$0	\$1,445	\$0
(5) Federal Government and/or First Nations	\$379,108	\$364,343	\$0	\$0	\$14,765	\$0
(6) Other Alberta school authorities	\$30,426	\$30,426	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$32,575	\$31,084	\$0	\$0	\$1,491	\$0
(9) Instruction resource fees	\$545,752	\$545,752				
(10) Transportation fees	\$34,322			\$34,322		
(11) Other sales and services	\$271,963	\$77,366	\$6,650	\$173,272	\$14,675	\$0
(12) Investment income	\$330,167	\$224,514	\$66,033	\$26,413	\$13,207	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$58,107	\$33,208	\$22,575	\$0	\$2,324	\$0
(15) Net school generated funds	\$1,581,502	\$1,581,502			\$0	
(16) Gains on disposal of capital assets	\$427,070	\$0	\$427,070	\$0	\$0	\$0
(17) Amortization of capital allocations	\$2,266,103	\$0	\$2,266,103	\$0		\$0
(18) TOTAL REVENUES	\$61,216,990	\$45,400,345	\$9,977,447	\$3,674,146	\$2,154,338	\$10,714
EXPENSES						
(19) Certificated salaries	\$29,719,961	\$29,240,190			\$479,771	\$0
(20) Certificated benefits	\$3,644,388	\$3,578,142			\$66,246	\$0
(21) Non-certificated salaries and wages	\$7,850,411	\$4,952,220	\$600,187	\$1,521,145	\$768,288	\$8,571
(22) Non-certificated benefits	\$1,866,703	\$1,239,537	\$119,548	\$346,862	\$158,813	\$2,143
(23) SUB - TOTAL	\$43,081,463	\$39,010,089	\$719,735	\$1,867,807	\$1,473,118	\$10,714
(24) Services, contracts & supplies	\$11,591,066	\$3,778,744	\$6,152,445	\$1,081,296	\$578,581	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$1,581,502	\$1,581,502				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$2,259,120	\$0	\$2,259,120	\$0	\$0	\$0
(28) Unsupported	\$1,488,224	\$712,096	\$251,956	\$454,376	\$69,796	\$0
(29) Total Amortization	\$3,747,344	\$712,096	\$2,511,076	\$454,376	\$69,796	\$0
Interest on capital debt						
(30) Supported	\$426,006	\$0	\$426,006	\$0	\$0	\$0
(31) Unsupported	\$40,547	\$34,682	\$2,225	\$0	\$3,640	\$0
(32) Other interest charges	\$1,127	\$659	\$156	\$156	\$156	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$60,469,055	\$45,117,772	\$9,811,643	\$3,403,635	\$2,125,291	\$10,714
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$747,935	\$282,573	\$165,804	\$270,511	\$29,047	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$34 725,888
Additional Funding for Differential Cost Factors	\$19 802,218
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$2 277,023
Student Health Initiative (SHI)	\$239,708
Alberta Initiative for School Improvement (AISi)	\$674,471
SuperNet Services	\$182,491
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$249,281
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$88,154
Infrastructure Maintenance Renewal (IMR)	\$1 721,288
Other Funding from Alberta Education (various)	\$2 128,110
Total Alberta Education Revenue	\$54 832,444

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$3,783,138	\$1,335,835	\$489,545		\$0	\$747,437	\$5,356,055
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$598,843	\$1,284,007	\$101,858		\$0		\$1,984,708
ECS Program Unit (PUF)	\$98,983	\$210,221	\$108,817		\$0		\$416,001
Severe Disabilities (Gr 1-12)	\$1,684,484	\$2,847,836	\$305,588		\$0		\$4,837,908
English as a Second Language (ESL)	\$609,798	\$0	\$22,573		\$0		\$632,371
French Language & Francisation	\$882,432	\$4,648	\$43,189		\$0		\$1,030,269
Enhanced ESL/Francisation & Supports for Immigrant Students	\$41,030	\$0	\$0		\$0		\$41,030
First Nations, Metis and Inuit Education	\$80,143	\$43,582	\$19,480		\$0		\$123,185
Alberta Initiative for School Improvement	\$295,051	\$53,104	\$208,008	\$30,308	\$0		\$574,471
Student Health Initiative	\$0	\$238,457	\$249		\$0		\$238,706
SuperNet Service			\$155,795		\$0		\$155,795
Class Size Initiative	\$2,171,715	\$105,308	\$0	\$0	\$0		\$2,277,023
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$23,486,737	\$947,778	\$2,315,894	\$429,708	\$0	\$1,581,502	\$28,311,391
TOTAL EXPENSES	\$32,818,332	\$8,181,757	\$3,778,744	\$430,017	\$0	\$2,128,839	\$45,117,772

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	9.7	37.7
ECS Program Unit (PUF)	0.7	18.8
Severe Disabilities (Gr 1-12)	24.7	62.7

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$80,489,065
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</p>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$2,418,762
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$2,418,762
Less: 2006/2007 Board and System Administration expenses		-\$2,125,291
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$293,471

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$863,080
Sources of School Generated Funds:		
	Gross SGF	Related Expenses
Fundraising activities	\$793,520	\$717,133
Student fees (Non-Instructional) (Note 1)	\$1,756,099	\$344,676
Donations and grants to schools	\$258,434	\$0
Other (describe):	\$75,812	\$70,004
Net Additions to SGF	\$2,883,865	\$1,131,813
		\$1,752,052
Net SGF Available		\$2,615,132
Uses of Net School Generated Funds:		
Extra-curricular activities		\$1,093,740
School site beautification		\$8,530
Field Trips		\$381,537
Equipment		\$8,615
Family literacy and other community resources		\$4,430
Other (describe):		\$84,650
Total Uses of Net SGF (Note 2)		\$1,581,502
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$1,033,630
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>		
Notes:		
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>		
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>		
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Legal Name of School Jurisdiction

231 Hardin Street, Fort McMurray, AB T9H 2G2

Mailing Address

PHONE: (780) 799-7900 FAX: (780) 743-2655

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of **FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833** presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN**JEFF THOMPSON**

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT**KATHLEEN E. RHYASON**

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER**ALLAN E. KALLAL**

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Board-approved Release Date

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MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES
FORT MCMURRAY SCHOOL DISTRICT NO. 2833

We have audited the statement of financial position of the Fort McMurray Public School District No. 2833 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school district as at August 31, 2007 and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Fort McMurray, Alberta
November 9, 2007

Meyers Norris Penny LLP
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$17,963,027	\$7,542,701
Accounts receivable (net after allowances)	\$1,146,554	\$1,968,336
Prepaid expenses	\$772,555	\$363,855
Other current assets	\$0	\$0
Total current assets	\$19,882,136	\$9,874,892
School generated assets	\$965,644	\$914,476
Trust assets	\$788,065	\$858,791
Long term accounts receivable	\$100,000	\$200,000
Long term investments	\$0	\$0
Capital assets		
Land	\$4,082,703	\$4,082,703
Buildings	\$70,247,222	
Less: accumulated amortization	(\$34,451,782)	
	\$35,795,440	\$32,772,306
Equipment	\$7,084,666	
Less: accumulated amortization	(\$6,335,888)	
	\$748,778	\$639,805
Vehicles	\$242,293	
Less: accumulated amortization	(\$165,304)	
	\$76,989	\$85,872
Total capital assets	\$40,713,910	\$37,590,686
TOTAL ASSETS	\$62,449,755	\$49,438,845
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,811,872	\$2,863,387
Deferred revenue	\$2,213,581	\$1,116,284
Deferred capital allocations	\$10,359,899	\$5,323,923
Current portion of all long term debt	\$203,156	\$376,823
Total current liabilities	\$16,588,508	\$9,680,417
School generated liabilities	\$965,644	\$914,476
Trust liabilities	\$788,065	\$858,791
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$124,870	\$501,693
Less: Current portion of supported debt	(\$113,560)	(\$376,823)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$178,243	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$89,596)	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$31,589,962	\$28,169,408
Total long term liabilities	\$33,443,648	\$30,067,545
TOTAL LIABILITIES	\$50,032,156	\$39,747,962
NET ASSETS		
Unrestricted net assets	\$19,311	\$20,828
Operating Reserves	\$2,696,364	\$669,348
Accumulated Operating Surplus (Deficit)	\$2,715,675	\$690,176
Investment in capital assets	\$8,820,809	\$8,919,592
Capital Reserves	\$881,115	\$81,115
Total Capital Funds	\$9,701,924	\$9,000,707
Total net assets	\$12,417,599	\$9,690,883
TOTAL LIABILITIES AND NET ASSETS	\$62,449,755	\$49,438,845

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$46,208,505	\$45,557,050	\$40,470,460
Federal Government and/or First Nations	\$695,986	\$387,600	\$409,219
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$416,497	\$376,977	\$247,960
Transportation fees	\$262,128	\$150,000	\$227,302
Other sales and services	\$10,553	\$0	\$24,218
Investment income	\$56,496	\$0	\$120,847
Gifts and donations	\$180,437	\$166,000	\$166,542
Rentals of facilities	\$150,691	\$144,000	\$34,580
Net school generated funds	\$680,593	\$650,000	\$625,564
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,830,773	\$1,654,957	\$1,848,288
Total Revenues	\$50,492,659	\$49,086,584	\$44,174,980
EXPENSES			
Certificated salaries	\$19,466,040	\$21,549,176	\$18,716,256
Certificated benefits	\$3,354,752	\$4,413,686	\$3,271,504
Non-certificated salaries and wages	\$9,699,412	\$8,659,991	\$8,160,892
Non-certificated benefits	\$2,470,472	\$2,886,663	\$2,119,426
Services, contracts and supplies	\$9,788,436	\$10,757,833	\$8,284,857
Net school generated funds	\$680,593	\$650,000	\$625,564
Capital and debt services			
Amortization of capital assets			
Supported	\$1,830,773	\$1,654,957	\$1,848,288
Unsupported	\$424,217	\$481,000	\$378,888
Total Amortization of capital assets	\$2,254,990	\$2,135,957	\$2,227,176
Interest on capital debt			
Supported	\$40,168	\$1,139,398	\$111,815
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$40,168	\$1,139,398	\$111,815
Other interest charges	\$6,280	\$0	\$17,911
Losses on disposal of capital assets	\$4,800	\$0	\$0
Total Expenses	\$47,765,943	\$52,192,704	\$43,535,401
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$2,726,716	(\$3,106,120)	\$639,579
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$2,726,716	(\$3,106,120)	\$639,579

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$2,726,716	\$639,579
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,830,773)	(\$1,848,288)
Total amortization expense	\$2,254,990	\$2,227,176
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$4,800	\$0
Changes in accrued accounts:		
Accounts receivable	\$821,782	\$453,675
Prepays and other current assets	(\$408,700)	\$83,809
Long term accounts receivable	\$100,000	\$100,000
Long term investments	\$0	\$0
Payables and accrued liabilities	\$948,485	\$706,341
Deferred revenue	\$1,097,297	(\$715,027)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$5,714,597	\$1,647,265
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$5,079,050)	(\$1,434,065)
Equipment	(\$294,995)	(\$132,798)
Vehicles	(\$8,969)	(\$80,787)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe) Approval to move DCA monies	(\$360,000)	(\$89,405)
Total sources (uses) of cash from Investing activities	(\$5,743,014)	(\$1,737,055)
C. FINANCING ACTIVITIES		
Capital allocations	\$10,270,500	\$3,927,217
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$198,580)	(\$895,847)
Add back: supported portion	\$376,823	\$895,848
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$10,448,743	\$3,927,218
Net sources (uses) of cash during year	\$10,420,326	\$3,837,428
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,542,701	\$3,705,273
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$17,963,027	\$7,542,701

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$9,690,883	\$8,919,592	\$20,828	\$669,348	\$81,115
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$9,690,883	\$8,919,592	\$20,828	\$669,348	\$81,115
Excess(def) of revenue over expenses	\$2,726,716		\$2,726,716		
Board funded capital transactions		\$315,984	\$0	(\$315,984)	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,254,990)	\$2,254,990		
Amortization of capital allocations		\$1,830,773	(\$1,830,773)		
Disposal of unsupported capital assets	\$0	(\$4,800)	\$4,800		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$14,250	(\$14,250)		
Net transfers to operating reserves			(\$2,343,000)	\$2,343,000	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$800,000)		\$800,000
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$12,417,599	\$8,820,809	\$19,311	\$2,696,364	\$881,115

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$5,323,923	\$28,169,408
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$5,323,923	\$28,169,408
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$10,092,448	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$178,052	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$376,823
Expended capital allocations - current year	(\$4,874,524)	\$4,874,524
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$360,000	\$0
Capital allocations amortized to revenue		\$1,830,773
Balance at August 31, 2007	\$10,359,899	\$31,589,982

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

The Fort McMurray Public School District No. 2833 is governed by statutes of Alberta under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2003. The district is exempt from payment of income tax under Section 149 of the Income Tax Act.

The district receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the district, within specified limits, to reallocate funding between instruction and support blocks.

1. Significant accounting principles and reporting practices:

The financial statements have been prepared by district management in accordance with Canadian generally accepted accounting principles for school jurisdictions and include the following significant accounting policies:

a) Revenue recognition:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable.

Capital allocations from the province or other funding agencies are recorded as deferred capital allocations until spent. Once spent they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the capital allocation. Capital allocations relate to capital grants received or to debenture support received for debt originally incurred for the purpose of acquiring capital assets.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833
Notes to Financial Statements

August 31, 2007

1. Significant accounting principles and reporting practices (continued):

b) Capital assets:

The district recognizes a capital asset as any capital asset that has an original cost greater than \$5,000 per item except that where a new facility is constructed the initial furnishings for the facility are capitalized en bloc.

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

	<u>Years</u>
Buildings	10 - 40
Equipment	5
Vehicles	5

No amortization is recorded in the year the asset is acquired.

Where a disposition of supported capital assets occurs, the net gain from the disposition is recorded in the deferred capital allocations account. This policy provides for a matching of revenues and expenditure streams related to future capital asset purchases.

c) Long-lived assets:

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The District performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in earnings for the year.

Prices for similar items are used to measure fair value of long-lived assets.

d) Vacation pay:

Vacation pay is accrued in the period in which the employee earns the benefit.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

1. Significant accounting principles and reporting practices (continued):

e) School generated funds:

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the district because the fiduciary responsibility for these funds rests with the Board of Trustees of the district. These funds are usually collected and retained at the schools for expenditures paid at the school level (e.g. yearbooks, graduation costs, field trips).

f) Contributed services:

Volunteers assist schools operated by the district in carrying out certain activities. Because of the difficulty of determining fair value and because such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Fort McMurray Public School District No. 2833 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$541,943 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

h) Supplementary Integrated Pension Plan

The ASBA Supplementary Integrated Pension Plan, a multi-employer registered defined benefit pension plan sponsored by the ASBA which is subject to the provisions of the Alberta Employment Pension Plans Act, was effective January 1, 2004. It provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan ("LAPP") or the Alberta Teachers' Retirement Fund ("ATRF").

The current service contributions in 2007 were \$28,700 (2006 - \$19,900) and past service costs were \$0 (2006 - \$27,356). The accrued benefit liability at August 31, 2007 is \$70,700 (2006 - \$42,900).

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

1. Significant accounting principles and reporting practices (continued):

i) Non-registered Supplementary Integrated Pension Plan

The non-registered SiPP, a retirement program sponsored by Fort McMurray Public School District No. 2833, commenced in 2005 and provides supplementary pension benefits to a prescribed class of employees. The non-registered SiPP supplements the LAPP, ATRF, and registered SiPP pension plans.

The cost of the non-registered SiPP post retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees.

j) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses. Prepaid expenses also include the unexpired insurance premiums at year end and fair value of future rent payments.

k) Operating and capital reserves

Reserves are established at the discretion of the district trustees or by external restrictions to set aside funds for operating and for capital expenditures. Such reserves are appropriations of unrestricted net assets.

l) Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Prepaid expenses include amounts based on estimates of the fair value of future rent payments. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

m) Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

2. Accounts receivable:

	2007 (\$000)	2006 (\$000)
Provincial government	575	1,367
Federal government	211	226
Other	361	375
	1,147	1,968

3. Trust assets and liabilities:

	2007 (\$000)	2006 (\$000)
Scholarships	72	70
Music	9	13
Deferred leave	123	110
Student Health Initiative	584	656
Other	0	10
	788	859

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

4. Long-term mortgage receivable:

Long-term mortgage receivable consists of a mortgage receivable from The YMCA of Wood Buffalo, A Society. The amount is repayable in four yearly payments of \$100,000 commencing on June 30, 2005 through June 30, 2008. The amount is non-interest bearing and is secured by the Birchwood School building.

5. Capital assets:

		2007 (\$000)		2006 (\$000)
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	4,093		4,093	4,093
Buildings	70,247	34,452	35,795	32,772
Equipment	7,085	6,336	749	640
Vehicles	242	165	77	86
	81,667	40,953	40,714	37,591

6. Sale of Birchwood School:

On June 30, 2004, the district sold the Birchwood School building and assigned the head lease for the land on which it sits to The YMCA of Wood Buffalo, A Society for \$500,000. The district secured a mortgage for \$400,000 as described in Note 4. As part of the agreement, the district is renting back specified space in the Birchwood School building and the Westwood YMCA building at a rate of \$1 per year. The fair value of the rent to be paid over the subsequent two years at Birchwood School and the subsequent five years at Westwood YMCA has been established at \$100,301 of which \$10,773 (2006 - \$32,206) has been recorded as an expense in the current year and \$19,750 (2006 - \$30,522) has been included in prepaid expenses.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

7. Bank indebtedness:

At August 31, 2007, the district had a line of credit totaling \$2,000,000, none of which was drawn. Interest is charged at the prime rate.

8. Deferred revenue:

	2007 (\$000)	2006 (\$000)
I.M.R. (I.M.P.) and modernization block funding	756	320
Alberta Education – Ecole Boreal	171	171
Alberta initiative for school improvement (AISi)	142	82
Native education project	61	122
Alberta Finance – Intensive Instructional project	40	77
Alberta Education – Funding for teacherages	356	
Alberta Finance – Early Intervention program		18
Alberta Education – Class Size Initiative	688	326
	2,214	1,116

9. Deferred capital allocations:

Deferred capital allocations show the cumulative amount of capital funding received for projects which the district had not completed as of the year end. These projects and deferred capital allocations may be summarized as follows:

	2006 (\$000)	2006 (\$000)
Unspent capital modernization funding	9,930	4,664
Unspent proceeds from disposal of supported assets	200	608
Interest earned on funding balances	230	52
	10,360	5,324

Included in unspent proceeds from disposal of supported assets is the \$100,000 (2006 - \$200,000) mortgage receivable from The YMCA of Wood Buffalo, A Society. This amount will be received over the next year. As such, this amount does not represent cash currently available for capital expenditures.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

10. Related party transactions:

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Fort McMurray Public School District No. 2833 had related party transactions for the year ended August 31, 2007 recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
2006-2007				
Government of Alberta:				
Education	\$ 575,170	\$ 124,363	\$ 45,963,413	
Infrastructure & Transportation				
Finance			\$ 37,327	
Health & Wellness				
Human Resources/Employment				
Other Gov't of Alberta Departments			\$ 207,765	
Other:				
Health Authorities				
Post-secondary institutions				\$ 188,693
Other Alberta school Jurisdictions				\$ 132,550
Other related parties				\$ 90,302
TOTAL 2006-2007	\$ 575,170	\$ 124,363	\$ 46,208,505	\$ 411,545
TOTAL 2005-2006	\$ 1,367,224	\$ 314,790	\$ 40,470,460	\$ 276,235

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833**Notes to Financial Statements****August 31, 2007****11. Long-term debt:**

	2007 (\$000)	2006 (\$000)
Alberta Municipal Finance Corporation Debentures, interest rates vary from 10.38% to 12.0%. Repayment terms vary from 9 years to 25 years	125	501
Northgate Industries Ltd Capital lease, interest 8.0%. Repayment terms 25 months	178	
Less current portion	(203)	(377)
	100	124

Principal repayments of long-term debt are required as follows:

	(\$000)
Year ended August 31, 2008	203
2009	100

303

The debentures are secured against district school buildings having a net book value of \$35,602,947. The capital lease is secured against buildings having a net book value of \$192,493.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2007

12. Unamortized capital allocations:

Unamortized capital allocations (UCA) represent the district's net investment in supported capital assets. Capital allocations are increased by the principal portion of debenture debt repayments and by expenditures made from the deferred capital allocations account. Capital allocations are amortized over the same period of time as the related assets.

Changes in unamortized capital allocations may be summarized as follows:

	2007	2006
	(\$000)	(\$000)
Balance, beginning of year	28,169	28,341
Debenture support received	376	897
Capital asset expenditures	4,875	870
Less amortization of capital allocations	(1,831)	(1,848)
Approved transfers		(89)
Balance, end of year	31,589	28,169

13. Supplementary cash flow information:

Interest paid and received:

	2007	2006
	(\$000)	(\$000)
Interest paid	40	112
Interest received	253	173

14. Budget amounts:

The budget was prepared by district management with Board of Trustees' approval given on May 22, 2007. It is presented for information purposes only and has not been audited.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2006

15. Contingent assets:

The district is a member of The Urban Schools Insurance Consortium (USIC) which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from favorable claims experience and accumulated by the consortium to self-insure a portion of the members' risk. The district's share of the accumulated consortium funds as at August 31, 2007 was \$242,322 (2006 - \$209,106). This contingent asset is not recorded in the accounts of the district. Amounts paid to USIC are recorded as insurance expense in the year paid.

16. Financial instruments:

The district's financial instruments consist of cash, accounts receivable, mortgage receivable, accounts payable, accrued liabilities and long-term debt.

The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

The fair value of the district's long-term mortgage receivable described in Note 4 has been estimated at \$95,693 (2006 - \$187,267) using expected future cash flows, discounted at rates which factor in the risk associated with the investment. The district has not written down the value of the long-term mortgage receivable to fair value as at August 31, 2007 as it believes the carrying amount reflects the face value as shown in the legal contract.

The fair value of the district's fixed rate long-term debt is also approximated by its carrying value, as there have been no significant changes in lending rates or other conditions.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the district manages exposure through its normal operating and financing activities. The district is not exposed to interest rate risk primarily because debt is support by government agencies.

Unless otherwise noted, it is management's opinion that the district is not exposed to significant interest, currency or credit risks arising from these financial instruments.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2006

17. Operating lease commitments:

The following operating lease payments are required under the terms of leases expiring through 2011:

2008	178,059
2009	168,798
2010	14,022
2011	13,286

18. Economic dependence on related third party:

The district's primary source of income is from the Alberta Government. The district's ability to continue viable operations is dependent on this funding.

19. The Fort McMurray Public School District No. 2833 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair	1.0	\$17,773	\$421	\$0			\$7,399
Other members	1.0	\$17,431	\$389	\$0			\$7,384
	1.0	\$17,996	\$405	\$0			\$12,659
	1.0	\$16,797	\$388	\$0			\$748
	1.0	\$17,361	\$388	\$0			\$7,766
Subtotal	5.0	\$87,358	\$1,991	\$0			\$35,956
Superintendent (1)	1.0	\$161,240	\$33,828	\$9,840	\$10,000	\$0	\$15,915
Superintendent (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer (1)	1.0	\$134,620	\$35,686	\$6,000	\$0	\$0	\$12,388
Secretary/Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers	280.4	\$19,304,800	\$3,320,924	\$0	\$0	\$0	
Non-certificated - Other	236.6	\$9,477,434	\$2,432,795	\$0	\$0	\$0	
TOTALS		\$29,165,452	\$5,825,224	\$15,840	\$10,000	\$0	

20. Financial Instruments

Although the requirements of Section 1530 *Comprehensive Income* are not applicable for not-for-profit organizations, amendments to Section 4400 *Not-For-Profit Organizations* will require presentation of gains, losses, revenues and expenses arising from derivatives, hedges and other financial instruments as separate components of the change in net assets. There have also been numerous consequential amendments made to other Sections.

In December 2006, the Canadian Institute of Chartered Accountants issued Section 3862 Financial Instruments – Disclosures and Section 3863 Financial Instruments – Presentation to replace Section 3861 Financial Instruments – Disclosure and Presentation. These new Sections are effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2007, but may be adopted in place of Section 3861, before that date.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Legal Name of School Jurisdiction

231 HARDIN STREET, FORT MCMURRAY, AB T9H 2G2

Mailing Address

PHONE: (780) 799-7900 FAX: (780) 743-2655

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

ALLAN E. KALLAL

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10156-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE A

School Jurisdiction Code: 3260

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$45,963,413	\$37,397,494	\$5,020,761	\$1,256,810	\$2,288,348	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$37,327		\$37,327			\$0
(4) Other - Government of Alberta	\$207,765	\$207,765	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$695,986	\$583,364	\$132,622	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$416,497	\$416,497				
(10) Transportation fees	\$262,128			\$262,128		
(11) Other sales and services	\$10,553	\$10,553	\$0	\$0	\$0	\$0
(12) Investment income	\$56,496	\$0	\$0	\$0	\$56,496	\$0
(13) Gifts and donations	\$180,437	\$180,437	\$0	\$0		\$0
(14) Rentals of facilities	\$150,691	\$0	\$150,691	\$0	\$0	\$0
(15) Net school generated funds	\$680,593	\$680,593			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,830,773	\$0	\$1,830,773	\$0		\$0
(18) TOTAL REVENUES	\$50,492,659	\$39,456,703	\$7,172,174	\$1,518,938	\$2,344,844	\$0
EXPENSES						
(19) Certificated salaries	\$19,466,040	\$19,088,405			\$377,635	\$0
(20) Certificated benefits	\$3,354,752	\$3,326,253			\$28,499	\$0
(21) Non-certificated salaries and wages	\$9,699,412	\$6,922,530	\$1,880,551	\$123,133	\$773,198	\$0
(22) Non-certificated benefits	\$2,470,472	\$1,717,629	\$474,771	\$36,132	\$241,940	\$0
(23) SUB - TOTAL	\$34,990,676	\$31,054,817	\$2,355,322	\$159,265	\$1,421,272	\$0
(24) Services, contracts & supplies	\$9,788,436	\$4,308,753	\$3,555,931	\$1,359,673	\$564,079	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$680,593	\$680,593				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,830,773	\$0	\$1,821,520	\$0	\$9,253	\$0
(28) Unsupported	\$424,217	\$160,357	\$220,124	\$0	\$43,736	\$0
(29) Total Amortization	\$2,254,990	\$160,357	\$2,041,644	\$0	\$52,989	\$0
Interest on capital debt						
(30) Supported	\$40,168	\$0	\$40,168	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$6,280	\$0	\$0	\$0	\$6,280	\$0
(33) Losses on disposal of capital assets	\$4,800	\$0	\$4,800	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$47,765,943	\$36,204,520	\$7,997,865	\$1,518,938	\$2,044,620	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$2,726,716	\$3,252,183	(\$825,691)	\$0	\$300,224	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$24,290,797
Additional Funding for Differential Cost Factors	\$18,276,367
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,387,317
Student Health Initiative (SHI)	\$2,908
Alberta Initiative for School Improvement (AISI)	\$521,540
SuperNet Services	\$72,504
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$54,562
Infrastructure Maintenance Renewal (IMR)	\$1,347,384
Other Funding from Alberta Education (described) One-time funding	\$2,000,000
Total Alberta Education Revenues	\$45,963,413

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$2,238,088	\$1,986,115	\$813,808		\$0	\$0	\$5,118,007
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$11,898	\$316,317	\$152,420		\$0		\$480,736
ECS Program Unit (PUF)	\$72,043	\$798,808	\$276,361		\$0		\$1,145,210
Severe Disabilities (Gr 1-12)	\$473,551	\$3,287,689	\$15,322		\$0		\$3,776,562
English as a Second Language (ESL)	\$145,076	\$59,181	\$5,271		\$0		\$209,330
French Language & Francisation	\$62,486	\$0	\$15,621		\$0		\$78,110
Enhanced ESL/Francisation & Support for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$207,981	\$171,816	\$104,198		\$0		\$483,675
Alberta Initiative for School Improvement	\$371,171	\$768	\$148,608	\$0	\$0		\$521,546
Student Health Initiative	\$0	\$0	\$2,908		\$0		\$2,908
SuperNet Service				\$72,504	\$0		\$72,504
Class Size Initiative	\$1,358,433	\$14,983	\$22,801	\$0	\$0		\$1,397,317
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$17,472,947	\$2,026,683	\$2,577,862	\$0	\$0	\$841,025	\$22,018,617
TOTAL EXPENSES	\$22,414,656	\$6,640,158	\$4,308,679	\$0	\$0	\$841,025	\$36,204,520

FULL-TIME-EQUIVALENCIES (Boers/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	13.0	8.0
ECS Program Unit (PUF)	6.5	15.0
Severe Disabilities (Gr 1-12)	1.5	77.0

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$47,768,943
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,321,428
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,321,428
Less: 2006-2007 Board and System Administration expenses	\$2,044,620
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$276,808

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$914,476		
Sources of School Generated Funds:			
	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$965,481	\$264,785	\$720,716
Student fees (Non-Instructional) (Note 1)	\$0	\$0	\$0
Donations and grants to schools	\$11,045	\$0	\$11,045
Other (describe):	\$0	\$0	\$0
Net Additions to SGF	\$996,526	\$264,785	\$731,761
Net SGF Available	\$1,646,237		
Uses of Net School Generated Funds:			
Extra-curricular activities			\$680,593
School site beautification			\$0
Field Trips			\$0
Equipment			\$0
Family literacy and other community resources			\$0
Other (describe):			\$0
Total Uses of Net SGF (Note 2)			\$680,593
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$965,644		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, net SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Fort McMurray Catholic Board of Education

Legal Name of School Jurisdiction

9809 Main Street, Fort McMurray, AB, T9H 1T7

Mailing Address

(780) 799-5700 (780) 799-5706 (Fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Fort McMurray Catholic Board of Education
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMANGeraldine Carbery

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENTFrancois Gagnon

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURERDan McIsaac

Name

"ORIGINAL SIGNED"

Signature

11-Feb-08

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7762 (Toll free 310-0000)

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MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES
FORT McMURRAY CATHOLIC BOARD OF EDUCATION

We have audited the statement of financial position of the Fort McMurray Catholic Board of Education as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Fort McMurray, Alberta
February 8, 2008

Meyers Norris Penny LLP.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$9,097,340	\$8,605,139
Accounts receivable (net after allowances)	\$3,061,086	\$2,739,315
Prepaid expenses	\$71,355	\$80,451
Other current assets	\$0	\$0
Total current assets	\$12,229,781	\$11,424,905
School generated assets	\$1,130,788	\$490,311
Trust assets	\$563,488	\$504,665
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$970,368	\$1,021,263
Buildings	\$68,132,859	
Less: accumulated amortization	(\$27,802,858)	
Equipment	\$2,915,710	
Less: accumulated amortization	(\$1,727,942)	
Vehicles	\$184,311	
Less: accumulated amortization	(\$147,816)	
Total capital assets	\$42,604,660	\$41,209,715
TOTAL ASSETS	\$56,428,665	\$53,629,597
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$2,558,378	\$3,809,896
Deferred revenue	\$1,471,236	\$70,161
Deferred capital allocations	\$1,002,436	\$808,274
Current portion of all long term debt	\$206,016	\$296,840
Total current liabilities	\$5,238,066	\$4,985,171
School generated liabilities	\$1,130,788	\$490,311
Trust liabilities	\$563,488	\$504,665
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$1,338,324	\$1,633,984
Less: Current portion of supported debt	(\$206,016)	(\$296,840)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$27,474,524	\$26,797,718
Total long term liabilities	\$30,301,086	\$29,131,018
TOTAL LIABILITIES	\$35,539,152	\$34,116,189
NET ASSETS		
Unrestricted net assets	\$1,575,497	\$1,497,804
Operating Reserve	\$1,960,000	\$1,270,995
Accumulated Operating Surplus (Deficit)	\$3,525,497	\$2,788,399
Investment in capital assets	\$13,891,798	\$12,778,031
Capital Reserve	\$3,672,218	\$3,970,188
Total Capital Funds	\$17,364,018	\$16,748,219
Total net assets	\$20,889,513	\$19,513,408
TOTAL LIABILITIES AND NET ASSETS	\$56,428,665	\$53,629,597

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2006-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$39,762,258	\$35,519,721	\$34,832,522
Federal Government and/or First Nations	\$498,104	\$200,000	\$360,575
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$278,386	\$200,000	\$253,059
Transportation fees	\$149,287	\$146,000	\$152,146
Other sales and services	\$49,331	\$189,663	\$367,807
Investment income	\$324,374	\$270,000	\$298,699
Gifts and donations	\$347,386	\$150,000	\$108,412
Rentals of facilities	\$87,264	\$73,900	\$51,381
Net school generated funds	\$840,475	\$70,000	\$75,707
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,626,045	\$1,283,192	\$1,293,199
Total Revenues	\$43,762,910	\$38,101,476	\$37,789,507
EXPENSES			
Certificated salaries	\$19,716,232	\$18,659,375	\$18,264,512
Certificated benefits	\$2,116,383	\$2,239,125	\$1,968,556
Non-certificated salaries and wages	\$7,557,050	\$7,203,067	\$6,631,908
Non-certificated benefits	\$1,400,661	\$1,486,210	\$1,278,797
Services, contracts and supplies	\$8,159,309	\$6,679,809	\$6,655,719
Net school generated funds	\$840,475	\$70,000	\$75,707
Capital and debt services			
Amortization of capital assets			
Supported	\$1,626,045	\$1,283,192	\$1,293,199
Unsupported	\$922,647	\$1,014,696	\$815,397
Total Amortization of capital assets	\$2,548,692	\$2,297,890	\$2,108,596
Interest on capital debt			
Supported	\$251,203	\$432,000	\$337,703
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$251,203	\$432,000	\$337,703
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$42,390,015	\$39,076,476	\$37,341,500
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,372,895	(\$975,000)	\$448,007
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,372,895	(\$975,000)	\$448,007

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,372,895	\$448,007
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,628,045)	(\$1,293,199)
Total amortization expense	\$2,548,692	\$2,108,596
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$321,751)	\$34,883
Prepays and other current assets	\$9,096	(\$16,027)
Long term accounts receivable	\$0	\$5,219,395
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$1,251,518)	\$993,823
Deferred revenue	\$1,401,085	(\$782,350)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,132,454	\$8,732,928
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	(\$25,480)	\$0
Buildings	(\$3,037,283)	(\$8,803,357)
Equipment	(\$780,882)	(\$467,430)
Vehicles	\$0	(\$27,492)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$3,843,625)	(\$9,298,279)
C. FINANCING ACTIVITIES		
Capital allocations	\$2,203,373	\$1,188,315
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$295,640)	(\$618,080)
Add back: supported portion	\$295,640	\$618,080
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$2,203,373	\$1,188,315
Net sources (uses) of cash during year	\$492,201	(\$1,379,036)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$8,605,139	\$9,984,175
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$9,097,340	\$8,605,139

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$19,516,618	\$12,778,031	\$1,497,804	\$1,270,595	\$3,970,188
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$19,516,618	\$12,778,031	\$1,497,804	\$1,270,595	\$3,970,188
Excess(def) of revenue over expenses	\$1,372,895		\$1,372,895		
Board funded capital transactions		\$1,836,414	\$0	\$0	(\$1,836,414)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,548,892)	\$2,548,892		
Amortization of capital allocations		\$1,626,045	(\$1,626,045)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$679,405)	\$679,405	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$1,538,444)		\$1,538,444
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$20,889,513	\$13,691,798	\$1,575,497	\$1,950,000	\$3,672,218

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$806,274	\$26,797,718
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$806,274	\$26,797,718
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$2,179,089	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$24,284	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$295,640
Expended capital allocations - current year	(\$2,007,211)	\$2,007,211
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,628,045
Balance at August 31, 2007	\$1,002,436	\$27,474,524

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Fort McMurray Catholic Board of Education

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

1. AUTHORITY AND PURPOSE

The Fort McMurray Catholic Board of Education delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3. The jurisdiction is exempt from payment of income tax under Section 149 of the Income Tax Act.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	25 – 40 years
Site Improvements	20 years
Vehicles & Buses	5 – 10 years
Equipment & Furnishings	5 – 10 years

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) Long-lived assets:

Long-lived assets consists of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Jurisdiction performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in earnings for the year.

Prices for similar items are used to measure fair value of long-lived assets.

d) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

e) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

f) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Fort McMurray Catholic Board of Education does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$ 398,341 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$748,651,000 (2005: deficiency of \$863,558,000).

The school board participates in the Alberta School Board Association Supplemental Integrated Pension Plan (ASBA SIPP). The plan is a multi-employer registered defined benefit pension plan subject to the provisions of the Alberta Employment Pension Plans Act. It provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan or the Alberta Teachers Retirement Fund. The current service contributions in 2007 were \$5,000 (2006 - \$3,400). The accrued benefit liability at August 31, 2007 is \$14,600 (2006 - \$9,600).

g) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Prepaid expenses also include the unexpired insurance premiums at year end.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

j) Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

k) Financial Instruments

Although the requirements of Section 1530 Comprehensive Income are not applicable for not-for-profit organizations, amendments to Section 4400 Not-For-Profit Organizations will require presentation of gains, losses, revenues and expenses arising from derivatives, hedges and other financial instruments as separate components of the change in net assets. There have also been numerous consequential amendments made to other Sections.

In December 2006, the Canadian Institute of Chartered Accountants issued Section 3862 Financial Instruments – Disclosures and Section 3863 Financial Instruments – Presentation to replace Section 3861 Financial Instruments – Disclosure and Presentation. These new Sections are effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006, but may be adopted in place of Section 3861, before that date.

The jurisdiction expects to adopt these pronouncements for their fiscal year ended August 31, 2008. The impact of adopting these pronouncements is not known or reasonably estimable.

l) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

3. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$ 1,932,355	\$ 1,929,594
Alberta Infrastructure and Transportation	-	-
Alberta Finance	94,665	111,254
Other Province of Alberta	5,800	5,800
Alberta Municipalities	148,806	168,780
Other	879,440	523,887
Total	\$3,061,066	\$2,739,315

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$2,000,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
Alberta Education	\$ 0	\$ 0
Alberta Finance	94,685	120,305
Other Trade Payables and Accrued Liabilities	2,463,713	3,889,591
Total	\$ 2,558,378	\$ 3,809,896

6. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Renewal (from Education)	\$ 1,162,321	\$ 37,936
AB Education – Cost of Living Allowance Funding	307,595	0
School Fees	1,320	32,215
Total	\$ 1,471,236	\$ 70,151

7. OTHER ALBERTA EDUCATION REVENUES (Schedule B) – (Unaudited)

	2007	2006
One-Time Grant – Ft McMurray Costs	\$ 2,500,000	\$ 333,580
AB Education – New Classroom Resource Grant		93,000
AB Education – Video Conference Grant		60,000
Total	\$ 2,500,000	\$ 486,580

8. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Education Endowment Fund	\$ 107,860	\$ 104,259
Scholarship Trusts	50,000	50,000
Children and Youth with Complex Needs (Banker Board)	405,608	350,406
Total	\$ 563,468	\$ 504,665

9. LONG TERM DEBT**Debenture Debt – Supported**

The debenture debt bears interest at rates varying between 9% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	\$ 206,016	124,775	330,791
2008-2009	149,826	103,445	253,273
2009-2010	119,120	88,731	207,851
2010-2011	107,920	77,703	185,623
2011 to maturity	755,440	66,888	822,328
Total	\$ 1,338,324	\$ 461,542	\$ 1,799,866

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

12. CAPITAL PROJECTS

As per the Board's approved capital expenditure plan, the following projects were completed during the year and either supported by external capital contribution from Alberta Education or funded from Capital Reserves held in the Board's internally restricted net assets. The cost of these projects will be amortized over their estimated useful lives and recorded in the statement of revenues and expenses as Unsupported Amortization of Capital Assets.

Infrastructure Maintenance and Renewal (IMR)

2007 St Anne core school roof replacement	\$279,976
2007 Work In Progress	219,166
Total IMR Expenditures	499,142

Board Funded Capital Projects

St. Martha School - Operating Contribution	\$247,693
St. Martha School - Capital Reserves Contribution	283,217
St. Paul School - Paving Upgrade	25,480
Fr Turcotte School - IP Telephone System	31,275
Fr Turcotte School - Network Cabling Upgrade	40,618
Fr Turcotte School - Security System Upgrade	12,567
St. Paul School - IP Telephone System	29,532
St. Paul School - Network Cabling Upgrade	38,111
St. Gabriel School - Network Cabling Upgrade	58,377
St. Anne School - Student Computer Lab Upgrade	38,862
Fr Mercredi School - Language Art Computer Lab Upgrade	34,018
Fr Mercredi School - Staff Computer Upgrade	85,046
Fr Mercredi School - Cafeteria Russell Food Equipment	37,750
Service Support Centre - Speedscrub	14,726
Temporary Housing for new Teachers	360,000
Total Board Funded Projects	\$1,337,272

Total Local Capital Projects

\$1,836,414

Supported Capital Projects

St Martha School	\$93,982
St. Martha School Portables	\$1,031,973
Fr Mercredi School Portables	\$869,408
New High School	\$11,848
Total Supported Capital Projects	2,007,211

Total Capital Projects

3,843,626

13. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the following projects:

	Expended as Aug 31, 2007	Remaining Balance
Design of new High School	\$ 11,849	\$ 988,151
St. Anne School: Boiler & HVAC Projects	94,481	41,019
St. Gabriel School: Boiler & HVAC Project	94,481	41,019
Father Mercredi High School – HVAC Project	30,402	60,016
Total	\$ 231,213	\$ 1,130,205

It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

14. CONTINGENCIES

The jurisdiction in conduct of its normal activities, is a defendant in a number of legal proceedings. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of administration and the jurisdiction's legal counsel that adequate provision for these proceedings as been made in the jurisdiction's accounts. It is believed that the resolution of the proceedings will not have a material effect on the financial position of the jurisdiction, however, should any additional loss result from the resolution of these proceedings, such amounts would be expensed as the related amounts become known to the jurisdiction.

15. RELATED PARTY TRANSACTION

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Fort McMurray Catholic Board of Education had related party transaction for the year ended August 31, 2007 recorded on the Statement of Revenues and Expenses and Statement of Financial Position at an amount of consideration agreed upon between the related parties.

2006-2007	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$1,932,355	\$1,469,916	\$ 39,252,416	\$ 0
Infrastructure & Transportation	0	0	0	0
Finance	94,665	94,665	251,204	251,204
Health & Wellness	0	0	0	217,965
Human Resources/Employment	5,800	0	5,800	0
Other Gov't of Alberta departments	0	0	252,838	0
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta school jurisdictions	0	0	0	0
Other related parties	0	0	0	0
TOTAL 2006-2007	\$2,032,820	\$1,564,581	\$39,762,258	\$469,169
TOTAL 2005-2006	\$2,046,648	\$3,289,198	\$34,832,523	\$1,352,198

Contingencies or Contractual Obligations with related parties are under separate disclosure.

16. ECONOMIC DEPENDENCE ON RELATED PARTY

The Fort McMurray Catholic Board of Education's primary source of income is from the Alberta Government. The jurisdiction's ability to continue viable operations is dependent on this funding.

17. FINANCIAL INSTRUMENTS

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets, trust assets, accounts payable, accrued liabilities, school generated liabilities, trust liabilities and long-term debt.

The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

Canadian generally accepted accounting principles require the disclosure of fair value information for all financial instruments, except in cases where time and cost constraints make such information too difficult to reliably determine. Because relevant and reliable fair value information was not obtainable, the jurisdiction has not disclosed fair value information for its trust assets and liabilities, and school generated assets and liabilities.

The fair value of the jurisdiction's fixed rate long-term debt is approximated by its carrying value, as there have been no significant changes in lending rates or other conditions.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the jurisdiction manages exposure through its normal operating and financing activities. The jurisdiction is not exposed to interest rate risk primarily because debt is support by government agencies.

Unless otherwise noted, it is managements' opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments.

18. BUDGET AMOUNTS

The budget prepared by the school jurisdiction and approved by the Board of Trustees on June 20, 2006. It is presented for information only and has not been audited.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

20. REMUNERATION AND MONETARY INCENTIVES

The Fort McMurray Catholic Board of Education had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair - G. Carbery	1.0	\$14,719	\$532	\$0			\$7,100
V/Chair - T. Langis	1.0	\$12,207	\$492	\$0			\$1,603
Trustee Salvo-Vyboh	1.0	\$11,610	\$450	\$0			\$3,966
Trustee McGrath	1.0	\$11,327	\$450	\$0			\$3,004
Trustee Bouchard-Dutchyn	1.0	\$11,270	\$450	\$0			\$3,001
Subtotal	5.0	\$61,133	\$2,374	\$0			\$18,674
Superintendent: Dan McIsaac	1.0	\$148,865	\$5,505	\$7,945	\$3,437	\$0	\$8,846
Secretary/Treasurer Francois Gagnon	1.0	\$125,970	\$23,980	\$7,975	\$0	\$0	\$2,769
Certificated Teachers	251.0	\$17,568,017	\$2,110,888	\$1,987,969	\$0	\$0	
Non-certificated - Other	218.0	\$6,717,995	\$1,374,307	\$643,977	\$0	\$0	
TOTALS		\$24,621,980	\$3,517,054	\$2,647,866	\$3,437	\$0	

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Fort McMurray Catholic Board of Education

Legal Name of School Jurisdiction

9809 Main Street, Fort McMurray, AB, T9H 1T7

Mailing Address

(780) 799-5700 (780) 799-5706

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Francois Gagnon

Name

"ORIGINAL SIGNED"

Signature

11-Feb-08

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code 4160

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$39,252,416	\$32,848,630	\$3,598,975	\$842,811	\$1,962,000	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$251,204		\$251,204			\$0
(4) Other - Government of Alberta	\$258,638	\$252,838	\$5,800	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$498,104	\$448,294	\$24,905	\$0	\$24,905	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$278,386	\$278,386				
(10) Transportation fees	\$149,287			\$149,287		
(11) Other sales and services	\$49,331	\$40,071	\$9,260	\$0	\$0	\$0
(12) Investment income	\$324,374	\$291,937	\$32,437	\$0	\$0	\$0
(13) Gifts and donations	\$347,386	\$347,386	\$0	\$0		\$0
(14) Rentals of facilities	\$87,264	\$0	\$24,862	\$0	\$0	\$62,602
(15) Net school generated funds	\$640,475	\$640,475			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,626,045	\$0	\$1,626,045	\$0		\$0
(18) TOTAL REVENUES	\$43,762,910	\$35,148,016	\$5,573,289	\$992,098	\$1,986,905	\$62,602
EXPENSES						
(19) Certificated salaries	\$19,716,232	\$19,428,121			\$288,111	\$0
(20) Certificated benefits	\$2,116,393	\$2,097,098			\$19,295	\$0
(21) Non-certificated salaries and wages	\$7,557,050	\$5,455,014	\$1,347,899	\$17,342	\$684,559	\$52,236
(22) Non-certificated benefits	\$1,400,862	\$1,038,560	\$240,561	\$3,018	\$108,157	\$10,368
(23) SUB - TOTAL	\$30,790,337	\$28,018,793	\$1,588,460	\$20,360	\$1,100,122	\$62,602
(24) Services, contracts & supplies	\$8,159,307	\$4,501,315	\$2,230,565	\$959,041	\$468,386	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$640,475	\$640,475				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,626,045	\$0	\$1,626,045	\$0	\$0	\$0
(28) Unsupported	\$922,647	\$298,416	\$588,900	\$0	\$35,331	\$0
(29) Total Amortization	\$2,548,692	\$298,416	\$2,214,945	\$0	\$35,331	\$0
Interest on capital debt						
(30) Supported	\$251,204	\$0	\$251,204	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$42,390,015	\$33,458,999	\$6,285,174	\$979,401	\$1,603,839	\$62,602
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,372,895	\$1,689,017	(\$711,885)	\$12,697	\$383,066	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$20,807,880
Additional Funding for Differential Cost Factors	\$13,728,112
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,129,349
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISI)	\$501,248
SuperNet Services	\$54,378
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$142,745
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$51,562
Infrastructure Maintenance Renewal (IMR)	\$340,182
Other Funding from Alberta Education (describe): One-Time Funding	\$2,500,000
Total Alberta Education Revenues	\$39,252,418

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction					
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	TOTAL EXPENSES
School Administration & Instruction Support	\$2,808,078	\$1,295,878	\$1,714,385		\$0	\$5,832,710
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$85,105	\$842,454	\$389,550		\$0	\$1,277,109
ECS Program Unit (PUP)	\$30,445	\$821,882	\$358,698		\$0	\$1,209,035
Severe Disabilities (Gr 1-12)	\$1,051,825	\$2,918,130	\$230,192		\$0	\$4,200,247
English as a Second Language (ESL)	\$24,924	\$120,839	\$4,088		\$0	\$149,832
French Language & Francisation	\$33,572	\$18,283	\$4,308		\$0	\$56,143
Enhanced ESL/Francisation & Supports for Immigrant Students	\$24,924	\$24,234	\$0		\$0	\$49,158
First Nations, Metis and Inuit Education	\$188,220	\$200,728	\$115,805		\$0	\$504,751
Alberta Initiative for School Improvement	\$487,458	\$0	\$14,515	\$19,275	\$0	\$501,248
Student Health Initiative	\$0	\$0	\$0		\$0	\$0
SuperNet Service			\$0		\$0	\$0
Class Size Initiative	\$1,129,349	\$0	\$0	\$0	\$0	\$1,129,349
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0	\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$15,702,220	\$251,180	\$1,265,518	\$349,459	\$0	\$17,568,386
TOTAL EXPENSES	\$21,525,219	\$6,493,574	\$4,075,018	\$388,734	\$0	\$33,482,545

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.9	29.9
ECS Program Unit (PUP)	0.4	29.2
Severe Disabilities (Gr 1-12)	12.5	100.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$42,380,018
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.03%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$2,132,218
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1- 12 funded enrollment	3,937	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$2,132,218
Less 2006/2007 Board and System Administration expenses		-\$1,603,839
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$528,379

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$490,311
Sources of School Generated Funds:	Gross SGF	Related Expenses
Fundraising activities	\$1,540,740	\$259,790
Student fees (Non-Instructional) (Note 1)	\$0	\$0
Donations and grants to schools	\$0	\$0
Other (describe):	\$0	\$0
Net Additions to SGF	\$1,540,740	\$259,790
Net SGF Available		\$1,771,261
Uses of Net School Generated Funds:		
Extra-curricular activities		\$640,475
School site beautification		\$0
Field Trips		\$0
Equipment		\$0
Family literacy and other community resources		\$0
Other (describe):		\$0
Total Uses of Net SGF (Note 2)		\$640,475
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$1,130,786
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Fort Vermilion School Division No. 52

Legal Name of School Jurisdiction

P.O. Bag # 1, Fort Vermilion, Alberta T0H 1N0

Mailing Address

Phone: 1-780-927-3766 Fax: 1-780-927-4625

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Fort Vermilion School Division No. 52 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Wally Schroeder

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Mr. Roger Clarke

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Mr. Jeff Perry

Name

"ORIGINAL SIGNED"

Signature

29-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T5J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees of

FORT VERMILION SCHOOL DIVISION NO. 52

We have audited the statement of financial position of the **Fort Vermilion School Division No. 52** as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

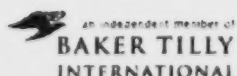
We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Meyers Norris Penny LLP

October 31, 2007
Leduc, Alberta

CHARTERED ACCOUNTANTS



CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
200, 5019 - 49TH AVENUE, LEDUC, AB T9E 6T5
PH. (780) 986-2626 FAX (780) 986-2621 www.mnp.ca

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$5,037,400	\$3,066,774
Accounts receivable (net after allowances)	\$1,521,015	\$2,201,509
Prepaid expenses	\$171,867	\$295,719
Other current assets	\$103,837	\$108,122
Total current assets	\$6,833,919	\$5,672,124
School generated assets		
Trust assets	\$268,451	\$365,811
Long term accounts receivable	\$392,908	\$144,638
Long term investments	\$0	\$0
Capital assets		
Land	\$712,077	\$712,077
Buildings	\$75,366,751	
Less: accumulated amortization	(\$27,208,636)	\$48,158,115
Equipment	\$5,820,054	
Less: accumulated amortization	(\$4,138,442)	\$1,681,612
Vehicles	\$6,087,227	
Less: accumulated amortization	(\$3,743,966)	\$2,343,259
Total capital assets	\$52,896,063	\$54,875,432
TOTAL ASSETS	\$60,390,341	\$61,058,005
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$2,429,750	\$2,385,426
Deferred revenue	\$250,323	\$179,271
Deferred capital allocations	\$742,070	\$33,629
Current portion of all long term debt	\$812,297	\$1,226,596
Total current liabilities	\$4,234,440	\$3,824,922
School generated liabilities		
Trust liabilities	\$268,451	\$365,811
Employee future benefits liability	\$392,908	\$144,638
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$2,745,655	\$3,954,442
Less: Current portion of supported debt	(\$793,121)	(\$1,208,767)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$19,176	\$37,398
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$19,176)	(\$17,809)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$42,637,668	\$43,425,115
Total long term liabilities	\$45,251,561	\$46,700,808
TOTAL LIABILITIES	\$49,486,001	\$50,525,730
NET ASSETS		
Unrestricted net assets	\$0	\$822,682
Operating Reserves	\$2,694,979	\$1,549,622
Accumulated Operating Surplus (Deficit)	\$2,694,979	\$2,372,304
Investment in capital assets	\$7,492,765	\$7,458,479
Capital Reserves	\$716,593	\$701,492
Total Capital Funds	\$8,209,356	\$8,159,971
Total net assets	\$10,904,337	\$10,532,275
TOTAL LIABILITIES AND NET ASSETS	\$60,390,338	\$61,058,005

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007
(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$34,361,020	\$33,946,650	\$32,118,192
Federal Government and/or First Nations	\$3,999,585	\$3,243,951	\$3,383,675
Other Alberta school authorities	\$149,332	\$149,332	\$146,404
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$77,875	\$45,360	\$52,520
Transportation fees	\$0	\$0	\$0
Other sales and services	\$223,434	\$164,500	\$164,360
Investment income	\$241,825	\$150,000	\$158,829
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$461,285	\$325,000	\$480,360
Net school generated funds	\$660,145	\$300,000	\$292,644
Gains on disposal of capital assets	\$12,996	\$0	\$0
Amortization of capital allocations	\$2,664,230	\$2,664,230	\$2,725,051
Total Revenues	\$42,851,727	\$40,989,023	\$39,522,035
EXPENSES			
Certificated salaries	\$17,191,592	\$16,821,284	\$15,862,568
Certificated benefits	\$1,766,042	\$1,722,477	\$1,664,411
Non-certificated salaries and wages	\$7,772,119	\$7,912,160	\$7,135,059
Non-certificated benefits	\$1,345,467	\$1,429,874	\$1,273,869
Services, contracts and supplies	\$9,635,425	\$8,602,500	\$7,616,759
Net school generated funds	\$660,145	\$300,000	\$292,644
Capital and debt services			
Amortization of capital assets			
Supported	\$2,664,230	\$2,664,230	\$2,725,051
Unsupported	\$1,116,856	\$1,135,876	\$1,060,287
Total Amortization of capital assets	\$3,781,086	\$3,800,106	\$3,785,338
Interest on capital debt			
Supported	\$322,935	\$396,385	\$451,790
Unsupported	\$3,737	\$3,737	\$1,508
Total Interest on capital debt	\$326,672	\$400,122	\$453,298
Other interest charges	\$1,117	\$500	\$85
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$42,479,665	\$40,989,023	\$38,084,031
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$372,062	\$0	\$1,438,004
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$372,062	\$0	\$1,438,004

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$372,062	\$1,438,004
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,664,230)	(\$2,725,051)
Total amortization expense	\$3,781,086	\$3,785,339
Gains on disposal of capital assets	(\$12,996)	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$680,494	\$918,331
Prepays and other current assets	\$128,337	(\$120,412)
Long term accounts receivable	\$0	
Long term investments	\$0	
Payables and accrued liabilities	\$44,324	(\$31,767)
Deferred revenue	\$71,052	(\$181,461)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe) Effect of non-cash transactions on operations	(\$291,375)	(\$298,795)
Total sources (uses) of cash from Operations	\$2,108,754	\$2,784,188
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$708,390)	(\$252,588)
Equipment	(\$493,540)	(\$555,834)
Vehicles	(\$640,570)	(\$509,910)
Net proceeds from disposal of capital assets	\$54,782	\$0
Other (describe) Change in capital purchases in payables	(\$75,726)	\$64,523
Total sources (uses) of cash from investing activities	(\$1,863,444)	(\$1,253,809)
C. FINANCING ACTIVITIES		
Capital allocations	\$1,376,437	(\$29,665)
Issue of long term debt	\$0	\$58,944
Repayment of long term debt	(\$1,227,009)	(\$1,273,973)
Add back: supported portion	\$1,208,787	\$1,252,427
Other (describe) Cash effect on capital allocations	\$367,101	\$175,329
Total sources (uses) of cash from Financing activities	\$1,725,316	\$183,062
Net sources (uses) of cash during year	\$1,970,626	\$1,713,441
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$3,066,774	\$1,353,333
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$5,037,400	\$3,066,774

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$10,532,275	\$7,458,479	\$822,682	\$1,549,622	\$701,492
Prior period adjustments (describe)					
	\$0	\$0	\$0		\$0
	\$0	\$0	\$0	\$0	\$0
	\$0			\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$10,532,275	\$7,458,479	\$822,682	\$1,549,622	\$701,492
Excess(def) of revenue over expenses	\$372,062		\$372,062		
Board funded capital transactions		\$1,174,506	(\$1,174,506)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$3,781,086)	\$3,781,086		
Amortization of capital allocations		\$2,664,230	(\$2,664,230)		
Disposal of unsupported capital assets	\$0	(\$41,587)	\$41,587		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$18,223	(\$18,223)		
Net transfers to operating reserves			(\$1,145,357)	\$1,145,357	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$15,101)		\$15,101
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$10,904,337	\$7,492,765	\$0	\$2,694,979	\$716,593

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$33,629	\$43,425,115
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$33,629	\$43,425,115
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$1,373,017	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$3,420	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,208,787
Expended capital allocations - current year	(\$667,996)	\$667,996
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,664,230
Balance at August 31, 2007	\$742,070	\$42,637,668

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Fort Vermilion School Division No. 52 (the "School Division") follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

The School Division amortizes grants received for construction and acquisition of capital assets as revenue on the same basis that the cost of the assets is amortized as expense. Since the receipt of the grants does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position. These capital allocations are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

2. Significant Accounting Policies (continued from previous page)

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies, which will be consumed subsequent to year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

Capital Assets

Capital assets are stated at cost and amortized over the estimated useful lives of the assets on a straight-line basis at the following rates:

Buildings	25 and 40 years
Equipment and land improvements	5, 10 and 20 years
Vehicles	5 and 10 years

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. No amortization is taken in the year of acquisition.

School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The School Division participates in the multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$38,242 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

The School Division also participates in the registered Supplemental Integrated Pension Plan (SiPP). This multi-employer plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund. The expense for this pension plan is equivalent to the annual contributions of \$12,439 for the year ended August 31, 2007. There are four employees who are eligible to participate in the plan; all are currently participating.



2. Significant Accounting Policies (continued from previous page)

Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The School Division's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, school generated assets and liabilities, trust assets and liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the School Division, or externally, to set aside funds for future operating and capital expenditures. Such reserves are appropriations of accumulated surplus.

Surpluses identified from school operations are transferred to reserves subject to the availability of unrestricted net assets, and transferred from reserves when the use of the funds have been identified by the schools. See Note 12 for details on reserve balances.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Accounts receivable have been stated with an estimate as to collectibility, and amortization of capital assets and capital allocations is based on estimated useful life of the underlying assets. Actual results could vary from those estimates.

Recent accounting pronouncements

The Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentation and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. Section 3855 *Financial Instruments - Recognition and Measurement* establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Additionally Section 4400 *Not For Profit Organizations* will require presentation of gains, losses, revenues and expenses arising from derivatives, hedges and other financial instruments as separate components of the change in net assets. Transitional provisions are complex and vary based on the type of financial instruments under consideration. Therefore, the School Division has not yet determined the effect of these new standards on its financial statements.

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

3. Accounts Receivable

	<u>2007</u>	<u>2006</u>
Federal Government and/or First Nations	\$ 1,443,236	\$ 1,116,792
Province of Alberta	910,153	1,301,230
Other	<u>143,834</u>	<u>216,622</u>
	2,497,223	2,634,644
Less allowance for doubtful accounts	<u>(976,208)</u>	<u>(433,135)</u>
	<u>\$ 1,521,015</u>	<u>\$ 2,201,509</u>

Of the above amount net of allowance for doubtful accounts, \$702,238 (2006 - \$1,048,929) has been outstanding for more than one year.

4. Bank Indebtedness

The School Division has negotiated a line of credit in the amount of \$2,000,000 that bears interest at prime less 0.25% and is secured by a borrowing bylaw and a security agreement. There was no balance outstanding on the line of credit at August 31, 2007.

5. Accounts Payable and Accrued Liabilities

	<u>2007</u>	<u>2006</u>
Trade and other	\$ 1,725,272	\$ 1,828,497
Province of Alberta	162,269	235,719
Federal Government and/or First Nations	<u>542,209</u>	<u>321,210</u>
	<u>\$ 2,429,750</u>	<u>\$ 2,385,426</u>

6. Deferred Revenue

The following amounts have been deferred and will be recognized as income to match the expenditures as incurred.

	<u>2007</u>	<u>2006</u>
Infrastructure Maintenance Renewal	137,324	60,932
Child's Circle Project	100,305	18,623
Other amounts	12,694	18,623
Alberta Initiative for School Improvement	<u>-</u>	<u>99,716</u>
	<u>\$ 250,323</u>	<u>\$ 179,271</u>

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

7. Trust Assets and Trust Liabilities

Student Health Initiative

The Division is the banker board for their geographical area's Student Health Initiative Partnership. As of August 31, 2007, the Division held \$341,908 in trust for this initiative (2006 - \$113,638).

Bursaries

The Division also manages trust funds, which will be used to pay school scholarships. At August 31, 2007, total funds in trust were \$51,000 (2006 - \$31,000).

8. Long-term Debt

	<u>2007</u>	<u>2006</u>
Alberta Municipal Finance Corporation debenture debt repayable in annual installments including interest at rates varying between 7.5% and 12.0%. The debentures are fully supported by Alberta Finance. Interest paid on long-term debt during 2007 was \$396,385 (2006 - \$525,517).	\$ 2,745,655	\$ 3,954,442
Less current portion	<u>(793,121)</u>	<u>(1,208,787)</u>
	<u>\$ 1,952,534</u>	<u>\$ 2,745,655</u>

Principal repayment requirements are estimated as follows:

2007/2008	793,121
2008/2009	607,713
2009/2010	425,341
2010/2011	213,329
20011/2012	147,042
To maturity	<u>559,109</u>
	<u>\$ 2,745,655</u>

The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore the working capital (current assets minus current liabilities) is understated by this amount.

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

9. Capital Lease Obligation

	<u>2007</u>	<u>2006</u>
Dell Financial Services computer lease payable in annual instalments of \$21,546 including interest at 9.9%. Interest paid during 2007 was \$3,737.	\$ 19,176	\$ 37,398
Less current portion	<u>(19,176)</u>	<u>(17,809)</u>
	<u>\$ -</u>	<u>\$ 19,589</u>

Minimum lease payments related to the obligation under capital lease are as follows:

	<u>2007</u>
2007/2008	21,546
Less: imputed interest	<u>(2,370)</u>
	19,176
Less current portion	<u>(19,176)</u>
	<u>\$ -</u>

10. Deferred Capital Allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the School Division, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

11. Unamortized Capital Allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid. Since the receipt of the funding does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position.

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

12. Reserves

	<u>2007</u>	<u>2006</u>
Capital Reserves		
Vehicles	\$ 211,477	\$ 196,376
Buildings	174,934	174,934
Land	2,200	2,200
Equipment	<u>327,982</u>	<u>327,982</u>
	<u>716,593</u>	<u>701,492</u>
Operating Reserves	<u>2,694,979</u>	<u>1,549,622</u>
Unrestricted Net Assets	<u>-</u>	<u>822,682</u>
	<u>\$ 3,411,572</u>	<u>\$ 3,073,796</u>

13. Department of Indian and Northern Affairs School

The School Division operates the Upper Hay River Day School under an agreement with the Department of Indian and Northern Affairs Canada (INAC) and the North Peace Tribal Council. Under the terms of the agreement the School Division is responsible for all instructional costs and custodial salaries and supplies, for which they are reimbursed. These revenues and expenses are summarized as follows:

	<u>2007</u>	<u>2006</u>
Revenue		
INAC and North Peace Tribal Council	\$ 977,492	\$ 1,045,807
Rental income	7,590	9,282
Transfer from (to) deferred revenue	116,734	(73,591)
Allocated for future purchases	<u>(15,000)</u>	<u>(15,000)</u>
	<u>1,086,816</u>	<u>966,498</u>
Operating expenditures		
Instructional	938,635	794,167
Custodial supplies and salaries	<u>58,894</u>	<u>68,096</u>
	<u>997,529</u>	<u>862,263</u>
Capital expenditures		
Photocopiers	-	12,263
Security cameras	<u>-</u>	<u>5,990</u>
	<u>-</u>	<u>18,253</u>
Administration fee	<u>89,287</u>	<u>85,982</u>
	<u>1,086,816</u>	<u>966,498</u>
Excess of Revenue over Expenditures	<u>\$ -</u>	<u>\$ -</u>

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

14. Budgeted Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

15. Economic Dependence on Related Third Party

The School Division's primary sources of revenue are from the Alberta and Federal Governments. The School Division's ability to continue viable operations is dependent upon this funding.

16. Commitments

- a) Building Project: The jurisdiction is committed to the further capital expenditures for additions at its Hill Crest School in the amount of \$612,000. The jurisdiction has also committed to capital expenditures for additions at its Sand Hills School. This project will commence in 2007-08. It is anticipated that the costs for both of these projects will be fully funded by the capital allocations from Alberta Education.
- b) IT Project: The jurisdiction is committed to further capital expenditures for the purchase and installation of TSC financial program in the amount of \$150,000

17. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in Public Sector Accounting Board Handbook Section 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

All related-party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<u>Balances</u>		<u>Transactions</u>
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenue</u>
2006-2007			
Government of Alberta:			
Education	\$ 341,908	\$ 641,029	\$ 33,472,056
Finance	162,269	2,907,924	322,935
Infrastructure & Transportation	713,976	-	117,376
Other departments	33,908	100,305	448,653
Other:			
Other Alberta school jurisdictions	-	37,081	149,332
Total 2006-2007	<u>\$ 1,252,061</u>	<u>\$ 3,686,339</u>	<u>\$ 34,510,352</u>
Total 2005-2006	<u>\$ 1,414,868</u>	<u>\$ 4,630,111</u>	<u>\$ 32,264,596</u>

FORT VERMILION SCHOOL DIVISION NO. 52
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

18. Remuneration and Monetary Incentives

The Fort Vermilion School Division had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

	<u>FTE</u>	<u>Remuneration</u>	<u>Benefits</u>	<u>Allowances</u>	<u>Expenses</u>
<u>Board members:</u>					
<u>Chair</u>					
Wally Schroeder	1.0	\$17,873	\$187	-	\$11,274
<u>Other Board Members</u>					
Dale Lederer	1.0	9,709	377	-	5,160
Lisa Mitchell	1.0	7,109	231	-	977
Gary Johnson	1.0	7,343	296	-	2,586
Richard Marshall	1.0	5,728	206	-	2,098
Keith Lambert	1.0	11,040	445	-	5,386
Bernard Wiebe	1.0	7,565	310	-	3,407
Lena Neudorf	1.0	10,197	740	-	6,187
Subtotal	8.0	76,564	2,792	-	37,075
<u>Superintendent</u>					
Roger Clark	1.0	135,492	10,112	11,875	21,070
<u>Secretary / Treasurer</u>					
Jeff Perry	1.0	104,536	19,191	10,000	15,810
Certificated teachers	228.0	17,044,225	1,755,930	-	-
Non-certificated - other	229.1	7,581,019	1,323,484	-	-
Totals		\$24,941,836	\$3,111,509	\$21,875	\$73,955

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Fort Vermilion School Division No. 52

Legal Name of School Jurisdiction

P.O. Bag # 1, Fort Vermilion, Alberta T0H 1N0

Mailing Address

Phone: 1-780-927-3766 Fax: 1-780-927-4625

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Jeff Perry

Name

"ORIGINAL SIGNED"

Signature

30-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
 8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L8
 EMAIL: Cindy.Jarry@gov.ab.ca
 PHONE: (780) 427-7782 FAX: (780) 422-4894

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SCHEDULE A

School Jurisdiction Code: 1250

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$33,632,689	\$24,845,851	\$4,185,995	\$2,311,189	\$2,289,654	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0	\$0		
(3) Alberta Finance	\$322,935		\$322,935			\$0
(4) Other - Government of Alberta	\$405,396	\$405,396	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$3,999,585	\$2,333,254	\$291,165	\$199,063	\$89,287	\$1,086,816
(6) Other Alberta school authorities	\$149,332	\$149,332	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$77,875	\$77,875				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$223,434	\$134,475	\$2,000	\$85,833	\$1,126	\$0
(12) Investment income	\$241,825	\$168,553	\$45,463	\$15,960	\$11,848	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$461,285	\$0	\$330,642	\$130,643	\$0	
(15) Net school generated funds	\$680,145	\$680,145			\$0	
(16) Gains on disposal of capital assets	\$12,996	\$0	\$245	\$12,751	\$0	\$0
(17) Amortization of capital allocations	\$2,664,230	\$0	\$2,664,230	\$0		\$0
(18) TOTAL REVENUES	\$42,851,727	\$28,774,881	\$7,842,675	\$2,755,439	\$2,391,916	\$1,086,816
EXPENSES						
(19) Certificated salaries	\$17,191,592	\$18,473,417			\$257,431	\$460,744
(20) Certificated benefits	\$1,766,042	\$1,696,911			\$25,841	\$43,290
(21) Non-certificated salaries and wages	\$7,772,119	\$3,988,435	\$1,334,938	\$1,523,217	\$658,510	\$267,019
(22) Non-certificated benefits	\$1,345,467	\$705,849	\$218,678	\$273,239	\$104,727	\$42,974
(23) SUB - TOTAL	\$28,075,220	\$22,864,612	\$1,553,616	\$1,796,456	\$1,046,509	\$814,027
(24) Services, contracts & supplies	\$9,635,425	\$5,162,835	\$2,907,182	\$755,445	\$626,461	\$183,502
(25) Cost recoveries between programs	\$0	\$41,751	\$0	(\$41,751)	(\$89,287)	\$89,287
(26) Net school generated funds	\$680,145	\$680,145				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$2,664,230	\$0	\$2,664,230	\$0	\$0	\$0
(28) Unsupported	\$1,116,856	\$306,349	\$400,467	\$346,199	\$63,841	\$0
(29) Total Amortization	\$3,781,086	\$306,349	\$3,064,697	\$346,199	\$63,841	\$0
Interest on capital debt						
(30) Supported	\$322,935	\$0	\$322,935	\$0	\$0	\$0
(31) Unsupported	\$3,737	\$0	\$3,737	\$0	\$0	\$0
(32) Other interest charges	\$1,117	\$121	\$0	\$0	\$998	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$42,479,665	\$29,035,813	\$7,852,167	\$2,856,349	\$1,648,520	\$1,086,816
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$372,062	(\$260,932)	(\$9,492)	(\$100,910)	\$743,396	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$16,358,122
Additional Funding for Differential Cost Factors	\$14,223,734
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$743,472
Student Health Initiative (SHI)	\$271,124
Alberta Initiative for School Improvement (AISi)	\$536,004
SuperNet Services	\$120,840
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$38,353
Infrastructure Maintenance Renewal (IMR)	\$999,395
Other Funding from Alberta Education (describe) Prior year revenue	\$341,845
Total Alberta Education Revenues	\$33,832,689

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$954,480	\$1,304,826	\$534,129		\$0	\$0	\$2,793,535
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$672,225	\$0	\$4,008		\$0		\$676,233
ECS Program Unit (PUF)	\$0	\$225,530	\$25,980		\$0		\$251,510
Severe Disabilities (Gr 1-12)	\$231,436	\$1,457,258	\$161,883		\$0		\$1,850,577
English as a Second Language (ESL)	\$0	\$144,899	\$8,549		\$0		\$153,448
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$155,530	\$41,317	\$73,977		\$0		\$270,824
Alberta Initiative for School Improvement	\$333,823	\$8,952	\$294,189	\$0	\$0		\$636,964
Student Health Initiative	\$0	\$181,619	\$89,505		\$0		\$271,124
SuperNet Service			\$187,500		\$0		\$187,500
Class Size Initiative	\$743,472	\$0	\$0	\$0	\$0		\$743,472
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$15,079,362	\$1,328,783	\$3,744,882	\$38,353	\$41,752	\$986,494	\$21,200,626
TOTAL EXPENSES	\$18,170,328	\$4,694,284	\$5,124,602	\$38,353	\$41,752	\$986,494	\$29,035,813

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE	FTE
	Certificated	Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	6.3
Severe Disabilities (Gr 1-12)	3.0	52.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$42,479,666
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,289,654
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,289,654
Less: 2006/2007 Board and System Administration expenses	-\$1,648,520
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$641,134

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$365,811																		
Sources of School Generated Funds:																			
	<table border="1"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td>\$1,020,487</td> <td>\$493,791</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td>\$41,699</td> <td>\$18,722</td> </tr> <tr> <td>Donations and grants to schools</td> <td>\$13,111</td> <td>\$0</td> </tr> <tr> <td>Other (describe):</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td>\$1,075,298</td> <td>\$512,513</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$1,020,487	\$493,791	Student fees (Non-Instructional) (Note 1)	\$41,699	\$18,722	Donations and grants to schools	\$13,111	\$0	Other (describe):	\$0	\$0	Net Additions to SGF	\$1,075,298	\$512,513
Gross SGF	Related Expenses	Net SGF																	
Fundraising activities	\$1,020,487	\$493,791																	
Student fees (Non-Instructional) (Note 1)	\$41,699	\$18,722																	
Donations and grants to schools	\$13,111	\$0																	
Other (describe):	\$0	\$0																	
Net Additions to SGF	\$1,075,298	\$512,513																	
Net SGF Available	\$928,596																		
Uses of Net School Generated Funds:																			
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td>\$484,319</td> </tr> <tr> <td>School site beautification</td> <td>\$0</td> </tr> <tr> <td>Field Trips</td> <td>\$100,519</td> </tr> <tr> <td>Equipment</td> <td>\$75,307</td> </tr> <tr> <td>Family literacy and other community resources</td> <td>\$0</td> </tr> <tr> <td>Other (describe):</td> <td>\$0</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td>\$660,145</td> </tr> </tbody> </table>	Extra-curricular activities	\$484,319	School site beautification	\$0	Field Trips	\$100,519	Equipment	\$75,307	Family literacy and other community resources	\$0	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$660,145				
Extra-curricular activities	\$484,319																		
School site beautification	\$0																		
Field Trips	\$100,519																		
Equipment	\$75,307																		
Family literacy and other community resources	\$0																		
Other (describe):	\$0																		
Total Uses of Net SGF (Note 2)	\$660,145																		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$268,451																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Golden Hills School Division No. 75

Legal Name of School Jurisdiction

435A Highway #1, Strathmore, Alberta T1P 1J4

Mailing Address

Tel. (403) 934-5121 Fax. (403) 934-5125

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

Golden Hills School Division No. 75

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

K. Harries

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

D. McBeth

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

T. Cooper

Name

"ORIGINAL SIGNED"

Signature

27-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-3782 (Toll free 310-0000)

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**GREGORY,
HARRIMAN
& ASSOCIATES
PROFESSIONAL ACCOUNTANTS**

Karen A. Gregory
B.A., B.Comm., C.A.
Professional Corporation

Shelley Harriman
Certified General Accountant
Professional Corporation

AUDITORS' REPORT

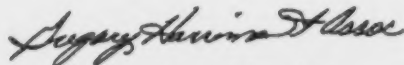
To the Board of Trustees
Golden Hills School Division No.75

We have audited the statement of financial position of the Golden Hills School Division No. 75 as at August 31, 2007 and the statement of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Strathmore, Alberta
October 23, 2007


Gregory, Harriman and Associates
Professional Accountants

#104, 331 - 3rd Avenue, Strathmore, Alberta T1P 1T5
Ph: (403) 934-3176 • Fax: (403) 934-3182 • Toll Free: 1-866-934-3176 • Email: mailbox@gregoryharriman.com
www.gregoryharriman.com

Association of two Professional Corporations that are in the practice of accountancy

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007
(in dollars)

	2007	2006
ASSETS		
Current assets		
Cash and temporary investments	\$5,731,395	\$4,767,902
Accounts receivable (net after allowances)	\$1,373,843	\$2,401,229
Prepaid expenses	\$357,696	\$323,234
Other current assets	\$212,475	\$225,235
Total current assets	\$7,675,409	\$7,717,600
School generated assets	\$1,173,706	\$889,619
Trust assets	\$447,184	\$383,076
Long term accounts receivable		
Long term investments		
Capital assets		
Land	\$677,202	\$677,202
Buildings	\$69,243,392	
Less: accumulated amortization	(\$35,565,488)	
	\$33,677,904	\$36,111,791
Equipment	\$4,045,349	
Less: accumulated amortization	(\$2,163,727)	
	\$1,881,622	\$1,658,291
Vehicles	\$4,010,894	
Less: accumulated amortization	(\$2,559,336)	
	\$1,451,558	\$1,218,310
Total capital assets	\$37,668,286	\$39,665,595
TOTAL ASSETS	\$46,984,585	\$48,655,890
LIABILITIES		
Current liabilities		
Bank indebtedness		
Accounts payable and accrued liabilities	\$2,271,652	\$2,265,857
Deferred revenue	\$2,139,651	\$2,335,000
Deferred capital allocations	\$2,002,455	\$1,921,740
Current portion of all long term debt	\$647,780	\$674,612
Total current liabilities	\$7,061,538	\$7,197,209
School generated liabilities	\$1,173,706	\$889,619
Trust liabilities	\$447,184	\$383,076
Employee future benefits liability		
Long term payables and accrued liabilities		
Long term debt		
Supported: Debentures and other supported debt	\$2,964,113	\$3,537,741
Less: Current portion of supported debt	(\$545,425)	(\$573,628)
Unsupported: Debentures and Capital Loans	\$2,362,516	\$2,462,164
Capital Leases		
Mortgages		
Less: Current portion of unsupported debt	(\$102,355)	(\$100,984)
Other long term liabilities		
Unamortized capital allocations	\$27,728,713	\$29,635,653
Total long term liabilities	\$34,028,452	\$36,233,641
TOTAL LIABILITIES	\$41,089,990	\$43,430,850
NET ASSETS		
Unrestricted net assets	\$1,199,150	\$1,132,501
Operating Reserves		
Accumulated Operating Surplus (Deficit)	\$1,199,150	\$1,132,501
Investment in capital assets	\$4,647,759	\$4,044,852
Capital Reserves	\$47,687	\$47,687
Total Capital Funds	\$4,895,446	\$4,092,539
Total net assets	\$5,894,595	\$5,225,039
TOTAL LIABILITIES AND NET ASSETS	\$46,984,585	\$48,655,890

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$51,118,298	\$48,186,226	\$48,706,073
Federal Government and/or First Nations	\$1,733,463	\$2,086,458	\$2,017,266
Other Alberta school authorities			
Out of province authorities			
Alberta Municipalities (excluding supplementary requisitions)	\$104,107	\$85,200	\$85,200
Instruction resource fees	\$480,675	\$523,905	\$528,350
Transportation fees	\$18,592	\$61,200	
Other sales and services	\$4,053,474	\$4,180,950	\$3,893,455
Investment income	\$251,368	\$3,500	\$293,652
Gifts and donations	\$27,203	\$2,500	\$69,918
Rentals of facilities	\$75,799	\$77,600	\$86,307
Net school generated funds	\$2,519,183	\$2,079,090	\$2,526,691
Gains on disposal of capital assets	\$1,000		\$12,364
Amortization of capital allocations	\$2,529,968	\$2,353,741	\$2,637,312
Total Revenues	\$62,913,130	\$59,640,370	\$60,956,589
EXPENSES			
Certificated salaries	\$28,496,374	\$26,842,959	\$27,649,026
Certificated benefits	\$3,329,007	\$2,963,430	\$3,084,771
Non-certificated salaries and wages	\$9,193,703	\$9,036,952	\$8,719,967
Non-certificated benefits	\$2,326,602	\$2,223,283	\$2,178,431
Services, contracts and supplies	\$12,902,438	\$12,219,421	\$12,367,232
Net school generated funds	\$2,519,183	\$2,079,090	\$2,526,691
Capital and debt services			
Amortization of capital assets			
Supported	\$2,529,968	\$2,353,741	\$2,637,312
Unsupported	\$486,657	\$416,111	\$473,951
Total Amortization of capital assets	\$3,016,625	\$2,769,852	\$3,111,264
Interest on capital debt			
Supported	\$299,305	\$359,553	\$359,553
Unsupported	\$135,691	\$138,000	\$139,796
Total Interest on capital debt	\$434,996	\$497,553	\$499,349
Other interest charges	\$24,646	\$12,830	\$29,916
Losses on disposal of capital assets			
Total Expenses	\$62,243,574	\$58,645,370	\$60,166,646
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$669,556	\$995,000	\$789,942
Extraordinary item			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$669,556	\$995,000	\$789,942

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$669,556	\$789,942
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,529,968)	(\$2,637,312)
Total amortization expense	\$3,016,625	\$3,111,284
Gains on disposal of capital assets	(\$1,000)	(\$12,364)
Losses on disposal of capital assets		
Changes in accrued accounts:		
Accounts receivable	\$1,027,386	\$1,952,830
Prepays and other current assets	(\$21,702)	(\$106,319)
Long term accounts receivable		
Long term investments		
Payables and accrued liabilities	\$5,795	\$554,103
Deferred revenue	(\$195,349)	\$1,051,274
Employee future benefit expense (recovery)		
Other (describe)		
Total sources (uses) of cash from Operations	\$1,971,343	\$4,703,418
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land		
Buildings	(\$42,649)	(\$78,463)
Equipment	(\$540,500)	(\$212,518)
Vehicles	(\$456,168)	(\$163,320)
Net proceeds from disposal of capital assets	\$1,000	\$12,366
Other (describe)		
Total sources (uses) of cash from Investing activities	(\$1,038,317)	(\$441,934)
C. FINANCING ACTIVITIES		
Capital allocations	\$130,115	\$1,773,389
Issue of long term debt		
Repayment of long term debt	(\$873,276)	(\$768,219)
Add back: supported portion	\$573,628	\$670,470
Other (describe)		
Total sources (uses) of cash from Financing activities	\$30,467	\$1,675,640
Net sources (uses) of cash during year	\$963,493	\$5,937,124
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$4,767,902	(\$1,169,222)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$5,731,395	\$4,767,902

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$5,225,039	\$4,044,852	\$1,132,501		\$47,687
Prior period adjustments (describe)					
Adjusted Balance, Aug. 31, 2006	\$5,225,039	\$4,044,852	\$1,132,501		\$47,687
Excess(def) of revenue over expenses	\$669,556		\$669,556		
Board funded capital transactions		\$989,916	(\$989,916)		
Direct credits to net assets					
Amortization of capital assets		(\$3,016,625)	\$3,016,625		
Amortization of capital allocations		\$2,529,968	(\$2,529,968)		
Disposal of unsupported capital assets					
Disposal of supported capital assets (board funded portion)					
Debt principal payments (unsupported)		\$99,648	(\$99,648)		
Net transfers to operating reserves					
Net transfers from operating reserves					
Net transfers to capital reserves					
Net transfers from capital reserves					
Assumption/transfer of other operations's net assets					
Balance at August 31, 2007	\$5,894,595	\$4,647,759	\$1,199,150		\$47,687

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,921,740	\$29,635,653
Prior period adjustment		
Adjusted balance, August 31, 2006	\$1,921,740	\$29,635,653
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$6,751	
Infrastructure & Transportation-School/Modular Project Capital *		
Other Government of Alberta		
Federal Government and/or First Nations		
Other sources		
Interest earned on provincial government capital allocations	\$123,364	
Other capital grants and donations		
Net Proceeds on disposal of supported capital assets		
Insurance proceeds (and related interest)		
Donated capital assets (amortizable, @ fair market value)		
Transferred in capital assets (amortizable, @ net book value)		
Current Year Debenture Principal Repayment		\$573,628
Expended capital allocations - current year	(\$49,400)	\$49,400
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other		
Capital allocations amortized to revenue		\$2,529,968
Balance at August 31, 2007	\$2,002,455	\$27,728,713

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



1) AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The Jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent upon future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

- Instruction and support allocations are recognized in the year to which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- Unrestricted contributions are recognized as revenue when received or receivable.
- Contributions in-kind are recorded at fair market value when reasonably determinable.
- Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 10%
Vehicles and buses	10% to 20%
Equipment and furnishings	10% to 20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the related asset's amortization expense. Assets are amortized in the years following acquisition.

c) School Generated Funds

These are funds in the community that come under the control and responsibility of the school principal for school activities. These funds are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.



e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Jurisdiction does not make pension contributions for certificated staff.

The Jurisdiction participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$572,569, for the year ended August 31, 2007, (2006 - \$546,633). At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,700,000, (2005 deficiency of \$863,558,000).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value using the first-in, first-out method.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools that are within the Jurisdiction to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of School Generated Funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Investments

Investments are recorded at the lower of cost and market value.

j) Financial Instruments

The Jurisdiction, as part of its operations, carries a number of financial instruments. These financial instruments consist of cash and temporary investments, accounts receivable, trust assets, long term investments, bank indebtedness, accounts payable and accrued liabilities, trust liabilities and long term debt. These financial instruments may be exposed to the following risks:

1. Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Jurisdiction manages exposure through its normal operating and financing activities. The Jurisdiction is exposed to interest rate risk primarily through its operating line of credit. As at August 31, 2007, there is no outstanding balance on this operating line of credit.

2. Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Jurisdiction from time to time carries on transactions requiring payment in a foreign currency. The Jurisdiction believes that there is no unusual exposure associated with these transactions.

3. Credit Concentration Risk

Accounts receivable from two parties represent 49% (2006 - 65%) of total accounts receivable as at August 31, 2007. The Jurisdiction believes that there is no unusual exposure associated with the collection of these receivables.

GOLDEN HILLS SCHOOL DIVISION NO. 75
Notes to the Financial Statements
Year Ended August 31, 2007



Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees' Act*.

k) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

l) Foreign Currency Transactions

All assets and liabilities of operations denominated in currencies other than Canadian dollars have been translated into Canadian dollars at the rate of exchange in effect at the balance sheet date.

Gains and losses resulting from the translation of assets and liabilities are reflected in net income.

Revenue and expense accounts are translated at the average rates of exchange prevailing during the period.

3) COLLECTIVE AGREEMENTS

The Jurisdiction had collective agreements with the Alberta Teachers Association Local #20, Canadian Union of Public Employees Local 2347, and the Canadian Union of Public Employees Local 1184, which expire August 31, 2008.

4) ACCOUNTS RECEIVABLE

ITEM	2007	2006
Province of Alberta	\$ 567,559	\$ 591,230
Federal Government	279,550	147,372
Alberta Municipalities	14,365	13,493
Other	512,369	1,649,134
Total	\$ 1,373,843	\$ 2,401,229

5) CAPITAL ASSETS

Asset	Cost	Accumulated Amortization	Net Book Value	
			2007	2006
Land	\$ 677,202	\$ -	\$ 677,202	\$ 677,202
Buildings	69,243,392	35,565,488	33,677,904	36,111,792
Vehicles	4,010,894	2,559,336	1,451,558	1,218,310
Equipment	4,045,349	2,163,727	1,881,622	1,658,291
Total	\$ 77,976,837	\$ 40,288,551	\$ 37,688,286	\$ 39,665,595

6) BANK INDEBTEDNESS

The Jurisdiction has negotiated a line of credit in the amount of \$2,156,488, which bears interest at the bank prime rate less 0.25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the Jurisdiction. The amount is not to exceed receivables of the Jurisdiction. The balance outstanding on the line of credit at August 31, 2007, was \$nil (2006 - \$nil).

The total amount paid in interest for the year ending August 31, 2007, was \$2,929 (2006 - \$3,458).

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



7) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

ITEM	2007	2006
Province of Alberta	\$ 167,309	\$ 219,000
Federal Government	3,341	7,390
Other Alberta School Jurisdictions	-	-
Other trade payables and accrued liabilities	2,101,002	2,039,467
Total	\$ 2,271,652	\$ 2,265,857

8) DEFERRED REVENUE

ITEM	2007	2006
Alberta Initiative for School Improvement (AISi)	\$ 181,679	\$ 8,405
International Student Services	1,276,582	2,216,714
Infrastructure Maintenance Program	669,059	-
Other	12,331	109,881
Total	\$ 2,139,651	\$ 2,335,000

International Student Services deferred revenue includes funds advanced as tuition and boarding revenue for foreign students. The Jurisdiction has a program to actively recruit students who would attend school starting September, 2007.

9) TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Jurisdiction for the following areas:

ITEM	2007	2006
ATLE Trust	\$ 32,066	\$ -
AADAC Trust	3,000	-
Project Hope Trust	1,691	4,379
H.A. Brown Scholarship	3,149	5,940
McElroy Trust	3,102	3,175
Tro-Hills	5,239	5,105
Dougan Scholarship	1,398	1,244
Thompson Scholarship	71,650	76,133
Tullikopf Scholarship	1,922	1,944
Snyder Memorial Scholarship	7,867	7,554
Moynihan Scholarship	4,202	4,029
Acme ECS	6,631	6,368
Carbon ECS	4,566	4,385
Carseland ECS	3,724	3,576
Gleichen ECS	8,653	8,309
Strathmore ECS	1,572	1,510
Student Health Initiative Program (SHIP)	286,752	243,674
Total	\$ 447,184	\$ 383,076

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



10) LONG TERM DEBT

a) Debenture Debt – Supported and Unsupported

The Jurisdiction has issued debentures to the Alberta Capital Finance Authority (formerly Alberta Municipal Finance Corporation), to finance the construction of school buildings and the purchase of the administration building. The debt maturity dates range from 2009 to 2025 and bear annual interest at rates from 5.175% to 12.00%. The amount of interest expense on long term debt for the year was \$434,996, (2005 - \$499,349).

ITEM	2007	2006
Supported debenture debt	\$ 2,964,113	\$ 3,537,741
Unsupported debenture debt	2,362,516	2,462,164
	5,326,629	5,999,905
Less: Current portion due on debenture debt	647,780	674,612
Balance	\$ 4,678,849	\$ 5,325,293

Principal payments required in the next five fiscal years and beyond are as follows:

ITEM	AMOUNT
2008	647,780
2009	650,629
2010	624,003
2011	604,659
2012	607,980
2013 to Maturity	2,191,578
Total	\$ 5,326,629

11) DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted capital funds provided for a specific capital purpose that have been received or are receivable by the Jurisdiction, but the related expenditure has not yet been made at year end. When expended on supported capital projects, these deferred capital allocations are transferred to unamortized capital allocations. Details of the changes in the deferred capital allocations account are as follows:

ITEM	2007	2006
Balance, beginning of year	\$ 1,921,740	\$ 303,761
Less: Prior period adjustment	-	48,854
Add: Allocations received and receivable during the year	130,115	1,789,773
Less: Transfers to unamortized capital allocations (Note 12)	49,400	106,556
Less: Amounts expended on unsupported capital projects	-	16,384
Balance, end of year	\$ 2,002,455	\$ 1,921,740

12) ASSET RETIREMENT OBLIGATION

Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The jurisdiction has a legal obligation to remove and dispose of, in a special manner, the hazardous material (asbestos) located within any school within its jurisdiction, upon its retirement. A liability, has not been recognized as the fair value of the liability cannot be reasonably estimated as the range of time over which the entity may settle the obligation cannot be determined.

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



13) UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

ITEM	2007	2006
Balance, beginning of year	\$ 29,635,653	\$ 31,447,085
Add: Prior period adjustment	-	48,854
Donated capital items	-	-
Additions: Supported debenture principal repayments	573,628	670,470
Transfer from deferred capital allocations (Note 11)	49,400	106,556
Less: Capital allocation revenue	2,529,968	2,637,312
Balance, end of year	\$ 27,728,713	\$ 29,635,653

14) CONTINGENCY

Contingent Asset

The Jurisdiction is a member of a reciprocal insurance exchange called Alberta School Boards' Insurance Exchange (ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the Jurisdiction can liquidate.

15) COMMITMENTS

a) Energy Contract

In April, 2005, the Jurisdiction entered into a contract with Enmax Energy Corporation for electricity to all of its owned facilities. This contract ends in December, 2010. The total commitment under this agreement for the next four years is as follows:

ITEM	AMOUNT
2008	\$ 285,974
2009	285,974
2010	285,974
Total	\$ 857,922

b) Boarding

The Jurisdiction, through their International services, has commitments for boarding foreign students. The funds are advanced by the student, and the Jurisdiction is using a variety of methods for boarding them.

c) Lease Commitments

The Jurisdiction leased classroom space under lease agreements expiring in June, 2008. Under these agreements, the Jurisdiction is obligated to pay \$20,000, per year for 2008. The Jurisdiction leases buses under a lease agreement expiring August, 2009. Under the agreement the Jurisdiction is obligated to pay \$5,696, per month. Future minimum operating lease payments are as follows:

ITEM	AMOUNT
2008	190,519
2009	170,519
2010	106,032
Total	\$ 467,070

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



16) RELATED PARTY TRANSACTIONS

Effective 2005/2006, School Jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of School Jurisdictions. These include government departments, health authorities, post-secondary institutions and other School Jurisdictions in Alberta. The Golden Hills School Division No. 75 had related party transactions for the year ended August 31, 2007 recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at an amount of consideration agreed upon between the related parties.

2006-2007	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$ 22,308	\$ 3,091,379	\$ 44,330,525	\$
Infrastructure & Transportation	541,817		6,002,926	
Finance		2,402,559	485,543	139,796
Health & Wellness		944		
Human Resources/Employment		9,059		
Other Government of Alberta departments			299,305	
Other:				
Health Authorities				
Post-secondary institutions				
Other Alberta School Jurisdictions				
Other related parties	30,135			
TOTAL 2006-2007	\$ 594,260	\$ 5,503,941	\$ 51,118,299	\$ 139,796
TOTAL 2005-2006	\$ 1,072,284	\$ 8,496,938	\$ 49,052,060	\$ 118,956

Contingencies or Contractual Obligations with related parties are under separate disclosure.

17) BUDGET AMOUNTS

The budget was prepared by the Jurisdiction and approved by the Board of Trustees on June 13, 2006. It is presented for information purposes only and has not been audited.

18) COMPARATIVE FIGURES

The Budget 2007 and Actual 2006 comparative figures have been reclassified where necessary to conform to Actual 2007 presentation.

GOLDEN HILLS SCHOOL DIVISION No. 75
Notes to the Financial Statements
Year Ended August 31, 2007



19) FUNDS UNDER ADMINISTRATION

The Jurisdiction acts as administrator for numerous trust accounts and projects. These assets are owned by the various organizations and the School Jurisdiction simply provides administration services to some of the projects. As a result, these assets and liabilities are not recorded in these financial statements. The Jurisdiction is a member of the South Central Alberta Resource Centre (SCARC) organization to which services are provided.

20) ECONOMIC DEPENDENCE

The Jurisdiction's primary source of income is from the Alberta Government. The Jurisdiction's ability to continue viable operations is dependent on this funding.

21)

DISCLOSURE OF SALARIES AND BENEFITS - 2006-2007
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
C. Howard	0.8	\$12,439	\$283	\$500			\$2,310	\$3,638
W. Golbeck	0.2	\$1,655	\$555	\$100			\$0	
Other Board Members:								
B. Rangan	0.8	\$8,662	\$3,076	\$450			\$12,189	\$1,398
L. Meert	1.0	\$13,146	\$0	\$600			\$13,746	\$6,895
K. Harnes	1.0	\$10,076	\$1,947	\$600			\$12,623	\$4,142
P. Croan	0.1	\$600	\$98	\$50			\$748	
J. Bazant	1.0	\$11,586	\$4,365	\$600			\$16,551	\$2,089
S. Holmworth	1.0	\$8,777	\$4,272	\$600			\$13,648	\$3,031
C. Fisher	1.0	\$7,944	\$3,751	\$600			\$12,295	\$2,061
C. Painter	1.0	\$12,062	\$3,421	\$600			\$16,082	\$4,382
C. Howard	0.2	\$2,488	\$57	\$100			\$2,644	
W. Golbeck	0.8	\$8,274	\$2,774	\$500			\$11,548	\$6,973
							\$0	
							\$0	
							\$0	
Subtotal	8.8	\$97,708	\$24,598	\$5,300			\$127,606	\$34,611
Superintendent								
D. Molten	1.0	\$129,975	\$10,472				\$140,447	\$13,560
Secretary/Treasurer								
E. Leiba	0.3	\$33,392	\$3,712				\$37,104	\$2,015
T. Cooper	0.7	\$71,333	\$13,697				\$85,031	\$6,566
Board Secretary							\$0	
Board Secretary							\$0	
Board Treasurer							\$0	
Certificated Salaries	357.0	\$27,840,347	\$3,318,535	\$526,052			\$31,684,934	
Uncertificated Salaries & Wages	420.2	\$8,985,970	\$2,284,595				\$11,270,564	
TOTALS		\$37,168,726	\$6,866,610	\$631,352	\$0	\$0	\$43,346,687	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Golden Hills School Division No. 75

Legal Name of School Jurisdiction

435A Highway #1, Strathmore, AB T1P 1J4

Mailing Address

Tel. (403) 934-5121 Fax. (403) 934-5125

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

T. Cooper

Name

"ORIGINAL SIGNED"

Signature

27-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
 9th Floor Commerce Place, 10165-102 Street, Edmonton AB T6J 4L8
 EMAIL: Cindy.Jarry@gov.ab.ca
 PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code 2155

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$50,552,675	\$36,537,194	\$6,317,663	\$3,626,989	\$2,070,829	
(2) Alberta Infrastructure & Transportation						
(3) Alberta Finance	\$299,305		\$299,305			
(4) Other - Government of Alberta	\$266,318	\$100,206	\$5,506			\$160,606
(5) Federal Government and/or First Nations	\$1,733,463	\$1,733,463				
(6) Other Alberta school authorities						
(7) Out of province authorities						
(8) Alberta municipalities (excl. supplementary requisitions)	\$104,107					\$104,107
(9) Instruction resource fees	\$480,675	\$480,675				
(10) Transportation fees	\$18,592			\$18,592		
(11) Other sales and services	\$4,053,474	\$1,164,208	\$3,072	\$11,651	\$6,782	\$2,867,762
(12) Investment income	\$251,368	\$179,532	\$38,942	\$18,475	\$14,419	
(13) Gifts and donations	\$27,203	\$24,603				\$2,600
(14) Rentals of facilities	\$75,799	\$5,823	\$22,635		\$47,341	
(15) Net school generated funds	\$2,519,183	\$2,519,183				
(16) Gains on disposal of capital assets	\$1,000			\$1,000		
(17) Amortization of capital allocations	\$2,529,968	\$180,325	\$2,349,643			
(18) TOTAL REVENUES	\$62,913,130	\$44,925,211	\$9,036,765	\$3,676,707	\$2,139,371	\$3,135,075
EXPENSES						
(19) Certificated salaries	\$28,496,375	\$28,202,378			\$131,546	\$162,451
(20) Certificated benefits	\$3,329,007	\$3,306,234			\$10,472	\$12,301
(21) Non-certificated salaries and wages	\$9,193,703	\$4,923,297	\$1,886,387	\$850,211	\$862,666	\$671,143
(22) Non-certificated benefits	\$2,326,602	\$1,452,881	\$453,372	\$97,837	\$180,278	\$142,235
(23) SUB - TOTAL	\$43,345,687	\$37,884,789	\$2,339,758	\$948,047	\$1,184,962	\$988,131
(24) Services, contracts & supplies	\$12,902,437	\$3,993,037	\$4,046,748	\$2,583,928	\$609,034	\$1,669,690
(25) Cost recoveries between programs		(\$271,055)				\$271,055
(26) Net school generated funds	\$2,519,183	\$2,519,183				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$2,529,968	\$180,325	\$2,349,643			
(28) Unsupported	\$486,657	\$125,627	\$25,846	\$207,277	\$63,728	\$64,379
(29) Total Amortization	\$3,016,625	\$305,952	\$2,375,289	\$207,277	\$63,728	\$64,379
Interest on capital debt						
(30) Supported	\$299,305		\$299,305			
(31) Unsupported	\$135,691				\$56,750	\$78,941
(32) Other interest charges	\$24,646	\$2,092	\$500	\$214	\$1,142	\$20,698
(33) Losses on disposal of capital assets						
(34) TOTAL EXPENSES	\$62,243,574	\$44,433,998	\$9,061,599	\$3,739,466	\$1,915,616	\$3,092,894
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$669,556	\$491,213	(\$24,834)	(\$62,759)	\$223,755	\$42,181

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$31,012,396
Additional Funding for Differential Cost Factors	\$15,342,632
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,480,638
Student Health Initiative (SHI)	\$396,361
Alberta Initiative for School Improvement (AISi)	\$649,611
SuperNet Services	\$180,400
Children and Youth with Complex Needs	
Other Provincial Support Funding	
Institutional Programs	
Regional Consortium and Regional Educational Consulting Services	
Learning Resources Credit Allocation	\$83,201
Infrastructure Maintenance Renewal (IMR)	\$1,347,136
Other Funding from Alberta Education (describe)	\$100,000
Total Alberta Education Revenues	\$50,552,675

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$2,076,487	\$1,817,481	\$504,020				\$4,400,988
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$120,742	\$217,328	\$59,050				\$397,120
ECS Program Unit (PUF)		\$344,789	\$72,003				\$416,793
Severe Disabilities (Gr 1-12)	\$650,020	\$1,952,694	\$59,623				\$2,662,337
English as a Second Language (ESL)	\$23,792	\$388,198	\$4,084				\$416,073
French Language & Francisation							
Enhanced ESL/Francisation & Supports for Immigrant Students		\$1,670					\$1,670
First Nations, Metis and Inuit Education	\$19,983	\$101,295	\$19,569				\$140,848
Alberta Initiative for School Improvement	\$425,144	\$149,895	\$74,572				\$649,611
Student Health Initiative	\$101,236	\$257,094	\$24,329				\$382,659
SuperNet Service							
Class Size Initiative							
Children and Youth with Complex Needs (ECS - Gr 12)							
All Other Student Instruction Expenses (ECS - Gr 12)	\$28,088,218	\$1,145,733	\$2,917,219	\$257,657	(\$271,055)	\$2,827,227	\$34,964,999
TOTAL EXPENSES	\$31,508,621	\$6,376,177	\$3,735,369	\$257,657	(\$271,055)	\$2,827,227	\$44,433,998

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	1.5	7.8
ECS Program Unit (PUF)	1.0	12.4
Severe Disabilities (Gr 1-12)	7.9	89.9

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$62,243,674
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,608,008
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,608,008
Less: 2006/2007 Board and System Administration expenses	-\$1,915,616
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$692,390

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$869,618																		
Sources of School Generated Funds:																			
	<table border="1"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$1,418,220</td> <td align="right">\$233,480</td> </tr> <tr> <td>Student fees (Non-instructional) (Note 1)</td> <td align="right">\$1,344,105</td> <td align="right">\$74,848</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$95,598</td> <td align="right">\$354</td> </tr> <tr> <td>Other (describe): Bank Interest, Staff Fees, Supply Sales</td> <td align="right">\$254,030</td> <td align="right">\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$3,111,953</td> <td align="right">\$308,682</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$1,418,220	\$233,480	Student fees (Non-instructional) (Note 1)	\$1,344,105	\$74,848	Donations and grants to schools	\$95,598	\$354	Other (describe): Bank Interest, Staff Fees, Supply Sales	\$254,030	\$0	Net Additions to SGF	\$3,111,953	\$308,682
Gross SGF	Related Expenses	Net SGF																	
Fundraising activities	\$1,418,220	\$233,480																	
Student fees (Non-instructional) (Note 1)	\$1,344,105	\$74,848																	
Donations and grants to schools	\$95,598	\$354																	
Other (describe): Bank Interest, Staff Fees, Supply Sales	\$254,030	\$0																	
Net Additions to SGF	\$3,111,953	\$308,682																	
	\$2,803,271																		
Net SGF Available	\$3,692,889																		
Uses of Net School Generated Funds:																			
Extra-curricular activities	\$1,305,520																		
School site beautification	\$100,757																		
Field Trips	\$843,658																		
Equipment	\$16,442																		
Family literacy and other community resources	\$35																		
Other (describe):	\$252,770																		
Total Uses of Net SGF (Note 2)	\$2,519,183																		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$1,173,706																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grande Prairie Public School district #2357

Legal Name of School Jurisdiction

10213 - 99 Street, Grande Prairie, Alberta T8V 2H3

Mailing Address

Phone (780) 532 - 4491

Fax (780) 539 - 4265

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Grande Prairie Public School district #2357 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

John Lehnars

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Christopher Gonnet

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Russell Horswill

Name

"ORIGINAL SIGNED"

Signature

27-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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STATEMENT OF CAPITAL ALLOCATIONS	8
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AUDITORS' REPORT

To the Board of Trustees
Grande Prairie Public School District No. 2357

We have audited the statement of financial position of the **Grande Prairie Public School District No. 2357** as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These audited financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these audited financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the audited financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the audited financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall audited financial statement presentation.

In our opinion, these audited financial statements present fairly, in all material respects, the financial position of the School District as at August 31, 2007 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Grande Prairie, Alberta
November 19, 2007

Fletcher Mudryk & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$7,757,876	\$2,045,149
Accounts receivable (net after allowances)	\$2,180,896	\$3,068,628
Prepaid expenses	\$1,998,735	\$1,180,995
Other current assets	\$184,921	\$181,207
Total current assets	\$12,122,428	\$6,485,979
School generated assets	\$513,052	\$352,383
Trust assets	\$817,366	\$1,116,215
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$431,253	\$431,253
Buildings	\$91,236,549	
Less: accumulated amortization	(\$39,266,859)	
Equipment	\$2,400,815	
Less: accumulated amortization	(\$858,888)	
Vehicles	\$531,942	
Less: accumulated amortization	(\$277,503)	
Total capital assets	\$54,197,309	\$42,924,068
TOTAL ASSETS	\$67,650,155	\$50,878,645
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,015,560	\$4,058,242
Deferred revenue	\$2,322,310	\$1,009,923
Deferred capital allocations	\$6,419,930	\$1,115,933
Current portion of all long term debt	\$1,376,097	\$1,382,897
Total current liabilities	\$13,133,897	\$7,576,995
School generated liabilities	\$513,052	\$352,383
Trust liabilities	\$817,366	\$1,116,215
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$7,550,985	\$8,921,882
Less: Current portion of supported debt	(\$1,370,897)	(\$1,370,897)
Unsupported: Debentures and Capital Loans	\$5,200	\$27,200
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$5,200)	(\$22,000)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$44,825,857	\$32,124,237
Total long term liabilities	\$52,336,363	\$41,149,020
TOTAL LIABILITIES	\$65,470,260	\$48,726,015
NET ASSETS		
Unrestricted net assets	\$10,789	\$5,444
Operating Reserves	\$310,876	\$253,472
Accumulated Operating Surplus (Deficit)	\$321,665	\$258,916
Investment in capital assets	\$1,815,267	\$1,850,751
Capital Reserves	\$42,963	\$42,963
Total Capital Funds	\$1,858,230	\$1,893,714
Total net assets	\$2,179,895	\$2,152,630
TOTAL LIABILITIES AND NET ASSETS	\$67,650,155	\$50,878,645

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$54,515,364	\$52,708,659	\$48,583,625
Federal Government and/or First Nations	\$65,152	\$0	\$143,133
Other Alberta school authorities	\$516,168	\$395,870	\$500,830
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$50,565	\$81,998	\$49,900
Instruction resource fees	\$361,487	\$358,439	\$386,316
Transportation fees	\$0	\$0	\$0
Other sales and services	\$725,111	\$195,000	\$607,223
Investment income	\$268,365	\$25,000	\$94,237
Gifts and donations	\$193,621	\$0	\$103,858
Rentals of facilities	\$50,452	\$75,000	\$42,997
Net school generated funds	\$721,128	\$600,000	\$677,356
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$2,316,351	\$2,194,160	\$2,189,604
Total Revenues	\$59,783,764	\$56,614,126	\$53,379,079
EXPENSES			
Certificated salaries	\$28,454,876	\$28,307,087	\$26,285,593
Certificated benefits	\$4,044,562	\$4,183,753	\$3,384,492
Non-certificated salaries and wages	\$8,329,562	\$8,654,463	\$7,800,065
Non-certificated benefits	\$2,381,747	\$2,109,374	\$2,082,717
Services, contracts and supplies	\$12,550,646	\$9,445,499	\$9,843,861
Net school generated funds	\$721,128	\$600,000	\$677,356
Capital and debt services			
Amortization of capital assets			
Supported	\$2,316,351	\$2,194,160	\$2,189,604
Unsupported	\$165,237	\$151,890	\$151,624
Total Amortization of capital assets	\$2,481,588	\$2,346,050	\$2,341,228
Interest on capital debt			
Supported	\$791,196	\$930,200	\$934,006
Unsupported	\$1,194	\$4,200	\$3,414
Total Interest on capital debt	\$792,390	\$934,400	\$937,420
Other interest charges	\$0	\$3,500	\$2,909
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$59,756,499	\$56,584,126	\$53,355,641
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$27,265	\$30,000	\$23,438
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$27,265	\$30,000	\$23,438

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$27,265	\$23,438
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,316,351)	(\$2,189,604)
Total amortization expense	\$2,481,588	\$2,341,228
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$887,732	\$694,194
Prepays and other current assets	(\$811,454)	\$381,562
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$1,042,682)	\$1,221,124
Deferred revenue	\$1,312,387	(\$206,534)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$538,485	\$2,285,408
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$13,031,120)	(\$4,738,365)
Equipment	(\$658,229)	(\$143,762)
Vehicles	(\$65,480)	(\$51,068)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$13,754,829)	(\$4,933,195)
C. FINANCING ACTIVITIES		
Capital allocations	\$18,951,071	\$5,606,463
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,392,897)	(\$1,392,897)
Add back: supported portion	\$1,370,897	\$1,370,897
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$18,929,071	\$5,584,463
Net sources (uses) of cash during year	\$5,712,727	\$2,916,676
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$2,045,149	(\$871,527)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$7,757,876	\$2,045,149

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$2,152,630	\$1,850,751	\$5,444	\$253,472	\$42,963
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$2,152,630	\$1,850,751	\$5,444	\$253,472	\$42,963
Excess(def) of revenue over expenses	\$27,265		\$27,265		
Board funded capital transactions		\$107,753	(\$107,753)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,481,588)	\$2,481,588		
Amortization of capital allocations		\$2,316,351	(\$2,316,351)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$22,000	(\$22,000)		
Net transfers to operating reserves			(\$112,404)	\$112,404	
Net transfers from operating reserves			\$55,000	(\$55,000)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$2,179,895	\$1,815,267	\$10,789	\$310,876	\$42,963

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,115,933	\$32,124,237
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,115,933	\$32,124,237
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$18,779,632	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$131,439	
Other capital grants and donations	\$40,000	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,370,897
Expended capital allocations - current year	(\$13,647,074)	\$13,647,074
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,316,351
Balance at August 31, 2007	\$6,419,930	\$44,825,857

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

1. AUTHORITY AND PURPOSE

The School District delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta, 2000, Chapter S-3.

The School District receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School District is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These audited financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of audited financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The audited financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. **SIGNIFICANT ACCOUNTING POLICIES – continued**

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are, accordingly, recorded as prepaid expenses. In addition, certain insurance expenses fall into this category.

School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Capital Assets

Capital assets are recorded at cost. Rates of amortization applied on a straight-line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	2.5% to 10%	10 years to 40 years
Equipment	10% to 20%	5 years to 10 years
Vehicles	10% to 20%	5 years to 10 years

No amortization is recorded in the year of acquisition. Amortization is not recorded on construction in progress until such time as the project is substantially complete.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. No amortization is recorded in the year of disposition.

Only capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. **SIGNIFICANT ACCOUNTING POLICIES – continued**

Asset Retirement Obligations

The District recognizes a liability for the future environmental remediation of certain properties and for future removal and handling costs for contamination. At this time, no asset retirement obligations have been identified and, thus, no liability has been recorded.

Impairment of Long-Lived Assets

The District reviews its long-lived assets for impairment on a regular basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate. No impairment has been identified and, thus, no impairment loss has been recognized in these financial statements.

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the audited financial statements.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. **SIGNIFICANT ACCOUNTING POLICIES – continued**

Pensions

Pension costs included in these audited financial statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Prairie Public School District No. 2357 does not make pension contributions for certificated staff.

The School District participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$528,348 (2006 – \$485,833) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the District to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

Financial Instruments

The School District's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School District has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. **SIGNIFICANT ACCOUNTING POLICIES – continued**

Measurement Uncertainty

The preparation of the audited financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the audited financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the audited financial statements of changes in such estimates in future periods could be significant.

3. **ACCOUNTS RECEIVABLE**

	<u>2007</u>	<u>2006</u>
Alberta Education	\$ 656,884	\$ 2,123,792
Alberta Finance	368,684	442,578
Other Province of Alberta	7,800	17,945
Federal Government	631,811	223,109
Alberta Municipalities	46,099	46,099
Other Alberta School Jurisdictions	-	20,000
Other	<u>469,618</u>	<u>195,105</u>
	<u>\$ 2,180,896</u>	<u>\$ 3,068,628</u>

4. **BANK INDEBTEDNESS**

The School District has bank financing available to a maximum of \$3,500,000 that bears interest at the bank prime rate minus 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement covering all revenue of the School District. There was no balance outstanding on the line of credit at August 31, 2007.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2007</u>	<u>2006</u>
Alberta Finance	\$ 369,150	\$ 444,842
Other Province of Alberta	11,490	114,703
Alberta Municipalities	550,037	533,737
Other Alberta School Jurisdictions	270,431	260,714
Trade payables and accrued liabilities	<u>1,814,452</u>	<u>2,704,246</u>
	<u>\$ 3,015,560</u>	<u>\$ 4,058,242</u>

6. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Infrastructure Maintenance Renewal (Ab. Ed.)	\$ 956,137	\$ 293,010
Deferred Alberta Education Portable Lease Grant	821,999	-
Regional Education Consulting Services Initiative	-	61,248
Infrastructure Conditional Grant	210,833	312,033
Alberta Education Conditional Grant	87,300	150,000
Teleconferencing Funding	-	60,000
Other	<u>246,041</u>	<u>133,632</u>
	<u>\$ 2,322,310</u>	<u>\$ 1,009,923</u>

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the School District, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

8. TRUST ASSETS AND LIABILITIES

These balances represent cash held in trust by the School District.

	<u>2007</u>	<u>2006</u>
Student Health Initiative Trust (SHI Banker Board)	\$ 398,486	\$ 345,116
Northwest Regional Learning Consortium Trust (Banker Board)	<u>418,880</u>	<u>771,099</u>
	<u>\$ 817,366</u>	<u>\$ 1,116,215</u>

9. LONG-TERM DEBT

	<u>2007</u>	<u>2006</u>
(a) Debentures - supported	\$ 7,550,985	\$ 8,921,882
- unsupported	<u>5,200</u>	<u>27,200</u>
	7,556,185	10,341,979
Less current portion	<u>(1,376,097)</u>	<u>(1,392,897)</u>
	<u>\$ 6,180,088</u>	<u>\$ 8,949,082</u>

The debentures are issued from the Alberta Capital Finance Authority to finance construction of school buildings, bear interest at rates ranging from 7.5% to 12.0% per annum and mature in 2008 through 2020.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

9. LONG-TERM DEBT – continued

Debenture repayments required in each of the next five fiscal years and to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,376,097	\$ 723,052	\$ 2,099,149
2009	1,163,659	580,038	1,743,697
2010	903,659	462,516	1,366,175
2011	867,895	376,194	1,244,089
2012	686,895	294,154	981,049
2013 to maturity	<u>2,557,980</u>	<u>763,554</u>	<u>3,321,534</u>
Total	<u>\$ 7,556,185</u>	<u>\$ 3,199,508</u>	<u>\$ 10,755,693</u>

(b) Capital leases – unsupported

Currently, there are no capital leases held by the School District.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

11. COMMITMENTS

The School District is committed to the following operating leases:

	<u>Annual Cost</u>	<u>Expiry</u>
Twenty-one portables	\$ 439,316	August, 2010
Nine portables	163,398	August, 2009

It is anticipated that these costs will be fully funded by allocations from Alberta Education.

In addition, the School District is committed to further expenditures of the following:

Derek Taylor Public School	\$ 5,600,000
Alexander Forbes School – Phase II modernization	8,160,000
New elementary school in Crystal Lake area	13,925,000

It is anticipated that these costs will be fully funded by allocations from Alberta Education.

The School District is committed to a forty-eight month lease for computer network equipment, expiring in June, 2009 at a net annual cost of \$20,126. It is anticipated that these amounts will be funded on an annual basis through the normal budgeting process.

A commitment for forty-three to forty-eight month leases for computer workstation equipment, expiring in August, 2010 to August, 2011 at a net annual cost of \$351,492 for the 2007-2008 and 2008-2009 fiscal years, \$344,838 for 2009-2010 and \$6,147 for 2010-2011. It is anticipated that these amounts will be funded on an annual basis through the normal budgeting process.

The School District is committed to severance and/or retirement pay for senior administrative officers for a total maximum liability of \$250,000, of which a total of \$110,667 (2006 – \$100,000) has been accrued in these audited financial statements.

In addition, the School District is committed to early retirement incentive pay for an estimated total liability of \$73,572, of which \$9,156 has been accrued in the audited financial statements. It is anticipated that these amounts will be funded on an annual basis through the normal budgeting process.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

12. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Grande Prairie Public School District No. 2357 had related party transactions for the year ended August 31, 2007 with Government of Alberta related parties recorded on the statement of revenues and expenses and statement of financial position.

<u>2006-2007</u>	<u>Balances</u>		<u>Transactions</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses</u>
<u>Government of Alberta:</u>				
Education	\$ 656,884	\$ 1,979,436	\$ 53,362,549	\$ -
Infrastructure and transportation	-	210,833	101,200	-
Finance	368,684	7,925,335	791,196	792,390
Other Government of Alberta departments	7,800	-	22,300	-
<u>Other:</u>				
Health Authorities	-	248,530	238,119	1,200,838
Other Alberta School Jurisdictions	<u>-</u>	<u>270,431</u>	<u>522,022</u>	<u>-</u>
Total 2006-2007	<u>\$ 1,033,368</u>	<u>\$ 10,634,565</u>	<u>\$ 54,936,186</u>	<u>\$ 1,993,228</u>
Total 005-2006	<u>\$ 2,604,315</u>	<u>\$ 10,645,632</u>	<u>\$ 49,084,455</u>	<u>\$ 386,813</u>

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School District's primary source of income is from the Alberta Government. The School District's ability to continue viable operations is dependent on this funding.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT NO. 2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

14. THE URBAN SCHOOLS INSURANCE CONSORTIUM

The School District is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen Jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers' favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The School District's share of the accumulated consortium funds as at August 31, 2007 was \$180,978 (2006 - \$187,264)

15. BUDGET AMOUNTS

The budget was prepared by the School District and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. REMUNERATION AND MONETARY INCENTIVES

The Grande Prairie Public School District No. 2357 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/ Other	Expenses
Chair- Lehnert, John	1.0	\$ 13,582	\$ 5,122	\$ -	\$ -	\$ -	\$ 5,174
Other members							
Chenyc, Ken	1.0	10,555	5,011	-	-	-	297
Kuryle, Paulette	1.0	14,057	5,138	-	-	-	5,927
Prokopowich, Karen	1.0	12,382	5,082	-	-	-	5,087
Shavers, Steven	1.0	10,357	214	-	-	-	1,367
Subtotal	5.0	60,933	20,567	-	-	-	17,832
Superintendent							
Gossett, Christopher	1.0	132,000	13,111	3,000	-	-	19,576
Secretary/Treasurer							
Horswell, Russell	1.0	115,500	21,165	6,000	-	-	9,663
Certified Teachers	373.8	27,640,100	4,031,651	439,664	-	248,212	
Non-certified - other	239.0	8,153,662	2,340,015	2,400	-	-	
TOTALS		\$6,101,662	\$6,426,379	\$ 439,664	\$ -	\$ 248,212	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
 [School Act, Section 276]

Grande Prairie Public School District #2357

Legal Name of School Jurisdiction

10213 - 99 Street, Grande Prairie, Alberta T8V 2H3

Mailing Address

Phone (780) 532 - 4491

Fax (780) 539 - 4265

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Russell Horswell

Name

"ORIGINAL SIGNED"

Signature

5-Dec-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
 66 Peter Lougheed Place, 10th-12th Street, Edmonton AB T5C 4L2
 Email: Cindy.James@ed.gov.ab.ca
 Phone: (780) 427-7752 Fax: (780) 427-0999

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<div style="text-align: center;">2006-2007 Board and System Administration Expenses</div> SCHEDULE D Under (Over) Maximum Limit	5
SCHEDULE E School Generated Funds (SGF)	5

SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 3240

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Superintendent & Admin.	External Services
(1) Alberta Education	\$53,484,049	\$41,815,778	\$6,515,372	\$1,583,778	\$1,814,000	\$1,845,123
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0	\$0		
(3) Alberta Finance	\$791,196		\$791,196			\$0
(4) Other - Government of Alberta	\$240,118	\$87,746	\$14,600	\$0	\$0	\$137,773
(5) Federal Government and/or First Nations	\$65,152	\$61,889	\$883	\$0	\$0	\$2,400
(6) Other Alberta school authorities	\$516,168	\$63,284	\$0	\$0	\$0	\$452,884
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$50,565	\$0	\$0	\$0	\$0	\$50,565
(9) Instruction resource fees	\$381,487	\$381,487				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$725,111	\$442,563	\$136,947	\$0	\$143,289	\$2,332
(12) Investment income	\$268,265	\$8,273	\$0	\$0	\$254,028	\$6,064
(13) Gifts and donations	\$193,621	\$186,076	\$0	\$0		\$7,545
(14) Rentals of facilities	\$50,452	\$1,418	\$48,034	\$0	\$0	\$0
(15) Net school generated funds	\$721,126	\$721,126			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$2,316,351	\$0	\$2,299,217	\$17,134		\$0
(18) TOTAL REVENUES	\$59,793,764	\$43,848,622	\$9,607,248	\$1,610,910	\$2,211,287	\$2,304,686
EXPENSES						
(19) Certificated salaries	\$28,454,876	\$27,782,993			\$356,406	\$317,477
(20) Certificated benefits	\$4,044,562	\$3,872,283			\$44,286	\$28,013
(21) Non-certificated salaries and wages	\$8,329,562	\$4,723,764	\$2,058,436	\$81,812	\$689,178	\$775,372
(22) Non-certificated benefits	\$2,381,747	\$1,384,544	\$511,472	\$25,302	\$258,022	\$184,487
(23) SUB - TOTAL	\$43,210,747	\$37,873,584	\$2,589,908	\$105,114	\$1,356,872	\$1,305,268
(24) Services, contracts & supplies	\$12,552,646	\$5,576,766	\$4,043,310	\$1,252,183	\$679,870	\$388,417
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$721,126	\$721,126				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$2,316,351	\$0	\$2,299,217	\$17,134	\$0	\$0
(28) Unsupported	\$165,237	\$0	\$130,842	\$8,182	\$26,213	\$0
(29) Total Amortization	\$2,481,588	\$0	\$2,430,059	\$25,316	\$26,213	\$0
Interest on capital debt						
(30) Supported	\$791,196	\$0	\$791,196	\$0	\$0	\$0
(31) Unsupported	\$1,136	\$0	\$1,136	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$58,706,400	\$46,171,478	\$8,832,867	\$1,385,613	\$2,061,293	\$2,304,686
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$3,087,364	(\$323,856)	(\$225,619)	\$225,297	\$149,994	\$0

SCHEDULE B ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$44,913,758
Additional Funding for Differential Cost Factors	\$0
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$2,850,843
Student Health Initiative (SHI)	\$1,798,320
Alberta Initiative for School Improvement (AISI)	\$752,500
SuperNet Services	\$144,588
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$308,944
Regional Consortium and Regional Educational Consulting Services	\$653,537
Learning Resources Credit Allocation	\$46,557
Infrastructure Maintenance Renewal (IMR)	\$1,200,838
Other Funding from Alberta Education (separate) Portable Moving/Setup/Leasing Costs	\$906,364
Total Alberta Education Revenues	\$53,484,049

SCHEDULE C ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$2,458,780	\$1,341,999	\$83,298		\$0	\$0	\$3,884,087
Mild & Moderate Disabilities/Gifted & Talented (MIGT)	\$545,301	\$859,078	\$30,426		\$0		\$1,534,806
ECS Program Unit (PUB)	\$236,714	\$585,115	\$218,787		\$0		\$1,040,616
Severe Disabilities (S-12)	\$814,532	\$1,489,448	\$84,841		\$0		\$2,498,821
English as a Second Language (ESL)	\$0	\$18,888	\$82		\$0		\$20,070
French Language & Francization	\$954,291	\$42,348	\$18,887		\$0		\$1,015,504
Enhanced ESL/Francization & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Métis and Inuit Education	\$0	\$15,828	\$119,488		\$0		\$135,314
Alberta Initiative for School Improvement	\$850,007	\$0	\$102,483	\$0	\$0		\$752,500
Student Health Initiative	\$0	\$0	\$1,714,593		\$0		\$1,714,593
SuperNet Service			\$183,885		\$0		\$183,885
Class Size Initiative	\$2,880,458	\$0	\$0	\$0	\$0		\$2,880,458
Children and Youth with Complex Needs (CYN)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (S-12 - S-12)	\$23,115,182	\$1,954,507	\$1,802,110	\$1,138,088	\$0	\$721,128	\$28,531,023
TOTAL EXPENSES	\$31,755,278	\$4,116,308	\$4,436,870	\$1,138,088	\$0	\$721,128	\$44,171,476

FULL-TIME EQUIVALENTS (FTE)	FTE	
	Certificated	Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (MIGT - S-12)	7.8	38.0
ECS Program Unit (PUB)	3.2	19.5
Severe Disabilities (S-12)	13.0	44.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$59,766,499
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.21%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetic proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$2,517,541
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$2,517,541
Less: 2006/2007 Board and System Administration expenses		-\$2,061,059
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$456,486

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$352,383																								
Sources of School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th align="center">Gross SGF</th> <th align="center">Related Expenses</th> <th align="center">Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$547,173</td> <td align="right">\$241,124</td> <td align="right">\$306,049</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$638,194</td> <td align="right">\$421,933</td> <td align="right">\$416,261</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$120,273</td> <td align="right">\$0</td> <td align="right">\$120,273</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$51,216</td> <td align="right">\$12,002</td> <td align="right">\$39,214</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$1,556,656</td> <td align="right">\$675,059</td> <td align="right">\$881,797</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$547,173	\$241,124	\$306,049	Student fees (Non-Instructional) (Note 1)	\$638,194	\$421,933	\$416,261	Donations and grants to schools	\$120,273	\$0	\$120,273	Other (describe):	\$51,216	\$12,002	\$39,214	Net Additions to SGF	\$1,556,656	\$675,059	\$881,797	
	Gross SGF	Related Expenses	Net SGF																							
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Other (describe):	\$51,216	\$12,002	\$39,214																							
Net Additions to SGF	\$1,556,656	\$675,059	\$881,797																							
Net SGF Available		\$1,234,180																								
Uses of Net School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$590,660</td> </tr> <tr> <td>School site beautification</td> <td></td> </tr> <tr> <td>Field Trips</td> <td align="right">\$54,855</td> </tr> <tr> <td>Equipment</td> <td align="right">\$37,688</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$16,781</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$21,144</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="right">\$721,128</td> </tr> </tbody> </table>	Extra-curricular activities	\$590,660	School site beautification		Field Trips	\$54,855	Equipment	\$37,688	Family literacy and other community resources	\$16,781	Other (describe):	\$21,144	Total Uses of Net SGF (Note 2)	\$721,128											
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Other (describe):	\$21,144																									
Total Uses of Net SGF (Note 2)	\$721,128																									
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$513,052																								
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																										

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grande Prairie Roman Catholic School District No. 28

Legal Name of School Jurisdiction

9902 - 101 Street Grande Prairie, AB T8V 2P4

Mailing Address

Phone - 780.532.3013 Fax - 780.532.3430

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Grande Prairie Roman Catholic School District No. 28
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Ralph Wohlgemuth

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Karl Germann

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Bryan Turner, CA

Name

"ORIGINAL SIGNED"

Signature

28-Jan-08

Board-approved Release Date

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STATEMENT OF REVENUES AND EXPENSES	5
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STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS INSERT	9



400 Windsor Court
9835-101 Avenue
Grande Prairie, Alberta
T8V 5V4

Phone: (780) 539-4110
Fax: (780) 532-1350
Email: info@fletchermudryk.com

AUDITOR'S REPORT

To the Board of Trustees
Grande Prairie Roman Catholic Separate School District No. 28

We have audited the statement of financial position of the **Grande Prairie Roman Catholic Separate School District No. 28** as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These audited financial statements are the responsibility of the School Jurisdiction's management. Our responsibility is to express an opinion on these audited financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the audited financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the audited financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall audited financial statement presentation.

In our opinion, these audited financial statements present fairly, in all material respects, the financial position of the School Jurisdiction as at August 31, 2007 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Grande Prairie, Alberta
November 22, 2007

Fletcher, Mudryk & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$7,133,470	\$5,464,259
Accounts receivable (net after allowances)	\$1,265,487	\$1,673,897
Prepaid expenses	\$175,816	\$189,347
Other current assets	\$106,188	\$106,188
Total current assets	\$8,680,961	\$7,433,691
School generated assets	\$485,685	\$431,154
Trust assets	\$86,914	\$83,678
Long term accounts receivable	\$1,438,855	\$1,360,885
Long term investments	\$0	\$0
Capital assets		
Land	\$174,200	\$174,200
Buildings	\$61,586,060	
Less: accumulated amortization	(\$19,537,850)	\$42,048,210
Equipment	\$632,572	\$37,866,735
Less: accumulated amortization	(\$255,612)	
Vehicles	\$519,371	\$376,960
Less: accumulated amortization	(\$127,884)	\$220,192
Total capital assets	\$42,990,857	\$393,237
TOTAL ASSETS	\$53,683,272	\$38,654,364
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,275,583	\$3,727,806
Deferred revenue	\$3,065,833	\$1,835,929
Deferred capital allocations	\$2,387,940	\$1,440,380
Current portion of all long term debt	\$849,209	\$890,837
Total current liabilities	\$9,578,565	\$7,894,952
School generated liabilities	\$485,685	\$431,154
Trust liabilities	\$86,914	\$83,678
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$4,182,553	\$5,073,391
Less: Current portion of supported debt	(\$849,209)	(\$890,837)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$35,670,355	\$31,688,570
Total long term liabilities	\$39,578,298	\$36,385,956
TOTAL LIABILITIES	\$49,156,863	\$44,280,908
NET ASSETS		
Unrestricted net assets	\$0	\$0
Operating Reserves	\$475,529	\$650,529
Accumulated Operating Surplus (Deficit)	\$475,529	\$650,529
Investment in capital assets	\$3,137,943	\$1,892,398
Capital Reserves	\$914,937	\$1,139,937
Total Capital Funds	\$4,052,890	\$3,032,335
Total net assets	\$4,528,409	\$3,682,864
TOTAL LIABILITIES AND NET ASSETS	\$53,683,272	\$47,963,772

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$29,718,910	\$30,953,991	\$27,900,579
Federal Government and/or First Nations	\$0	\$13,000	\$17,231
Other Alberta school authorities	\$15,962	\$0	\$0
Out of province authorities		\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$153,390	\$148,434	\$146,219
Transportation fees	\$27,814	\$800	\$0
Other sales and services	\$130,121	\$23,981	\$70,662
Investment income	\$258,493	\$128,000	\$136,613
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$37,309	\$47,490	\$36,930
Net school generated funds	\$485,685	\$360,000	\$431,154
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,569,533	\$969,088	\$1,406,239
Total Revenues	\$32,397,217	\$32,644,784	\$30,145,627
EXPENSES			
Certificated salaries	\$15,567,308	\$15,824,652	\$14,421,839
Certificated benefits	\$1,894,683	\$1,915,045	\$1,755,452
Non-certificated salaries and wages	\$4,476,655	\$4,322,865	\$3,797,247
Non-certificated benefits	\$1,064,630	\$981,452	\$887,851
Services, contracts and supplies	\$5,888,254	\$6,085,902	\$6,012,603
Net school generated funds	\$485,685	\$360,000	\$431,154
Capital and debt services			
Amortization of capital assets			
Supported	\$1,569,533	\$890,838	\$1,406,239
Unsupported	\$131,426	\$78,250	\$96,914
Total Amortization of capital assets	\$1,700,959	\$969,088	\$1,503,153
Interest on capital debt			
Supported	\$473,498	\$615,256	\$568,045
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$473,498	\$615,256	\$568,045
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$31,551,672	\$31,074,260	\$29,377,344
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$845,545	\$1,570,524	\$768,283
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$845,545	\$1,570,524	\$768,283

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$845,545	\$768,283
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,569,533)	(\$1,406,239)
Total amortization expense	\$1,700,959	\$1,503,153
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$408,410	\$1,261,150
Prepays and other current assets	\$13,531	\$1,180
Long term accounts receivable	(\$77,970)	(\$73,945)
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$452,223)	\$121,847
Deferred revenue	\$1,229,904	\$491,602
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,098,623	\$2,667,031
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$5,775,285)	(\$6,530,231)
Equipment	(\$216,543)	(\$121,390)
Vehicles	(\$45,624)	(\$172,426)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$6,037,452)	(\$6,824,047)
C. FINANCING ACTIVITIES		
Capital allocations	\$5,608,041	\$4,654,838
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$890,838)	(\$890,837)
Add back: supported portion	\$890,837	\$890,837
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$5,608,040	\$4,654,838
Net sources (uses) of cash during year	\$1,669,211	\$497,822
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$5,464,259	\$4,966,437
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$7,133,470	\$5,464,259

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$3,682,864	\$1,892,398	\$0	\$650,529	\$1,139,937
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$3,682,864	\$1,892,398	\$0	\$650,529	\$1,139,937
Excess(def) of revenue over expenses	\$845,545		\$845,545		
Board funded capital transactions		\$1,376,971	(\$1,051,971)	(\$100,000)	(\$225,000)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,700,959)	\$1,700,959		
Amortization of capital allocations		\$1,569,533	(\$1,569,533)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$75,000	(\$75,000)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$4,528,409	\$3,137,943	\$0	\$475,529	\$914,937

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,440,380	\$31,688,570
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,440,380	\$31,688,570
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$5,521,111	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$86,930	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$890,837
Expended capital allocations - current year	(\$4,660,481)	\$4,660,481
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,569,533
Balance at August 31, 2007	\$2,387,940	\$35,670,355

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta, 2000, Chapter S-3.

The School Jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These audited financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of audited financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The audited financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Investments

Short-term investments are recorded at the lower of cost or net realizable value.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are, accordingly, recorded as prepaid expenses. In addition, certain insurance expenses fall into this category.

Capital assets

Capital assets are recorded at cost. Only capital assets with a cost in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. Rates of amortization applied on a straight-line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	2.5% to 10%	(10 years to 40 years)
Equipment	10% to 20%	(5 years to 10 years)
Vehicles	10% to 20%	(5 years to 10 years)

No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. No amortization is recorded in the year of disposition.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. **SIGNIFICANT ACCOUNTING POLICIES – continued**

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal, are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the audited financial statements.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Prairie Roman Catholic Separate School District No. 28 does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual employer contributions of \$263,866 (2006 - \$213,391) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746.7 million (2005 deficiency of \$863.6 million).

Operating and capital reserves

Reserves are established, at the discretion of the Board of Trustees of the School Jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The School Jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the School Jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

The School Jurisdiction has an operating line of credit of \$1.25 million. As at August 31, 2007, there is no balance owing.

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Infrastructure	\$ -	\$ 371,337
Province of Alberta – other	216,464	263,675
Federal Government	215,460	160,178
Alberta Municipalities	428,586	552,953
Other Alberta School Jurisdictions	260,714	172,002
Other	<u>144,263</u>	<u>153,752</u>
	<u>\$ 1,265,487</u>	<u>\$ 1,673,897</u>

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

4. LONG-TERM ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Infrastructure		
Community Knowledge Campus	\$ 1,438,855	\$ 994,257
St. Gerard School	<u>-</u>	<u>366,628</u>
	<u>\$ 1,438,855</u>	<u>\$ 1,360,885</u>

5. ACCOUNTS PAYABLE AND LIABILITIES

	<u>2007</u>	<u>2006</u>
Alberta Education	\$ 647,989	\$ 549,480
Alberta Finance	216,482	263,693
Other trade payables and accrued liabilities	<u>2,411,112</u>	<u>2,914,633</u>
	<u>\$ 3,275,583</u>	<u>\$ 3,727,806</u>

6. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Alberta Initiative for School Improvement	\$ 126,333	\$ -
Class Size Initiative funding	1,070,826	938,378
SHI Complex Needs funding	422,063	396,517
Other Alberta Education grants	933,110	256,809
Religious Education funding	204,225	204,225
Infrastructure Maintenance and Renewal funding	179,276	-
Rural Transportation funding	90,000	-
Other deferred revenue	<u>40,000</u>	<u>40,000</u>
	<u>\$ 3,065,833</u>	<u>\$ 1,835,929</u>

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the School Jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account. Details of the changes in the deferred capital allocations account are as follows:

	<u>2007</u>	<u>2006</u>
Balance – beginning of year	\$ 1,440,380	\$ 2,800,094
Allocations received and receivable during year	5,608,042	4,654,838
Transfers to unamortized capital allocations (Note 9)	<u>(4,660,482)</u>	<u>(6,014,552)</u>
Balance – end of year	<u>\$ 2,387,940</u>	<u>\$ 1,440,380</u>

8. LONG-TERM DEBT

(a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 8.125% and 12.0% per annum and mature in 2008 through 2016. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt. Therefore, the working capital (current assets minus current liabilities) is understated by this amount.

Debenture payments due over the next five years and beyond are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 849,209	\$ 426,161	\$ 1,275,370
2009	759,073	336,609	1,095,682
2010	674,747	257,873	932,620
2011	628,746	188,557	817,303
2012	430,985	124,550	555,535
2013 to maturity	<u>839,793</u>	<u>143,786</u>	<u>983,579</u>
	<u>\$ 4,182,553</u>	<u>\$ 1,477,536</u>	<u>\$ 5,660,089</u>

(b) Capital Leases – Unsupported

Currently, there are no capital leases held by the School Jurisdiction.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

Details of the changes to the account are as follows:

	<u>2007</u>	<u>2006</u>
Balance – beginning of year	\$ 31,688,570	\$ 26,189,420
Supported debenture principal repayments	890,836	890,837
Transfers from deferred capital allocations (Note 7)	4,660,482	6,014,552
Less: Capital allocation revenue	<u>(1,569,533)</u>	<u>(1,406,239)</u>
Balance – end of year	<u>\$ 35,670,355</u>	<u>\$ 31,688,570</u>

10. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	August 31, <u>2006</u>	<u>Appropriated</u>	<u>Utilized</u>	August 31, <u>2007</u>
Operating Reserves				
School-based	\$ 324,266	\$ -	\$ -	\$ 324,266
Stabilization fund	18,271	-	-	18,271
Transportation	100,000	-	-	100,000
Operations and maintenance	200,000	-	175,000	25,000
Board and system administration	<u>7,992</u>	<u>-</u>	<u>-</u>	<u>7,992</u>
	<u>650,529</u>	<u>-</u>	<u>175,000</u>	<u>475,529</u>

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

10. INTERNALLY RESTRICTED NET ASSETS – continued

Capital Reserves				
Land – unsupported	12,170	-	-	12,170
Buildings – unsupported	100,634	-	-	100,634
Infrastructure – buildings and equipment	599,335	-	225,000	374,335
Transportation – buildings and equipment	297,545	-	-	297,545
Transportation – vehicles	<u>130,253</u>	<u>-</u>	<u>-</u>	<u>130,253</u>
	<u>1,139,937</u>	<u>-</u>	<u>225,000</u>	<u>914,937</u>
	<u>\$ 1,790,466</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 1,390,466</u>

11. COMMITMENTS

The School District is committed to severance and/or retirement pay for senior administrative officers. As at August 31, 2007, the recorded obligation is \$48,748 (2006 – \$109,233). The total expense recorded in the audited financial statements is \$4,965 (2006 – \$10,434).

12. CONTINGENCIES

The School Jurisdiction is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen School Jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The School Jurisdiction's share of the accumulated consortium funds as at August 31, 2007 was \$91,230 (2006 – \$95,698).

13. RELATED PARTY TRANSACTIONS

Effective 2005/2006, School Jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are not related parties of School Jurisdictions. These include government departments, health authorities, post-secondary institutions and other School Jurisdictions in Alberta.

During the year, the School Jurisdiction had the following transactions and balances with related parties:

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

13. RELATED PARTY TRANSACTIONS – continued

2006 – 2007	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$ -	\$ 79,353	\$ 28,284,875	\$ -
Infrastructure and transport	1,438,855	-	854,886	-
Finance	216,464	216,464	473,498	-
Other departments	-	-	105,651	473,498
Other:				
Post-secondary institutions	260,714	-		-
Alberta School Jurisdictions	-	-		-
TOTAL 2006 – 2007	\$ 1,916,033	\$ 295,817	\$ 29,718,910	\$ 473,798
TOTAL 2005 – 2006	\$ 2,167,898	\$ 263,675	\$ 27,900,579	\$ 568,045

These transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration agreed upon by the related parties.

14. ECONOMIC DEPENDENCE

The School Jurisdiction's primary source of income is from the Alberta Government. The School Jurisdiction's ability to continue viable operations is dependent on this funding.

15. PRIOR YEAR COMPARATIVES

Certain amounts have been regrouped to conform with the presentation adopted for the current year.

16. BUDGET AMOUNTS

The budget was prepared by the School Jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2007

17. REMUNERATION AND MONETARY INCENTIVES

The School District had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIPs/ Other	Expenses
Chair – Mochan, Morag	1.0	\$ 23,453	\$ 2,400	\$ -	\$ -	\$ -	\$ 2,613
Other members	0.0	-	-	-	-	-	-
Brick, Alice	1.0	17,924	-	-	-	-	2,040
Dyck, Derek	0.3	3,737	932	-	-	-	276
Kroll, John	1.0	13,600	4,189	3,015	-	-	2,120
Lushman, Laureen	1.0	18,462	3,600	-	-	-	1,420
Renneberg, Allison	1.0	13,662	3,203	4,366	-	-	227
Wohlgemuth, Ralph	1.0	15,682	3,072	-	-	-	2,075
Subtotal	6.3	106,520	17,396	7,381	-	-	10,771
Superintendent							
(1) Germann, Karl	1.0	133,583	10,152	3,960	-	-	11,981
Superintendent (2)	0.0	-	-	-	-	-	-
Secretary-Treasurer							
(1) Burge, Grant	0.8	101,754	18,932	-	-	7,713	1,023
Secretary-Treasurer							
(2) Turner, Bryan	0.3	37,867	6,165	478	-	-	6,270
Board Secretary (1)	0.0	-	-	-	-	-	-
Board Secretary (2)	0.0	-	-	-	-	-	-
Board Treasurer (1)	0.0	-	-	-	-	-	-
Board Treasurer (2)	0.0	-	-	-	-	-	-
Certificated Teachers	212.5	15,419,715	1,884,532	10,050	-	-	-
Non-certificated - Other	134.1	4,153,599	1,022,138	61,343	-	-	-
TOTALS		\$ 19,953,038	\$ 2,959,316	\$ 83,212	\$ -	\$ 7,713	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
 [School Act, Section 276]

Grande Prairie Roman Catholic Separate School District # 28

Legal Name of School Jurisdiction

9902 101 Street, Grande Prairie , Alberta, T8V 2P4

Mailing Address

Phone (780) 532-3013, Fax (780) 532-3430

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Bryan Turner, CA

Name

"ORIGINAL SIGNED"

Signature

28-Jan-08

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
 8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L6
 EMAIL: Cindy.Jarry@gov.ab.ca
 PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code

4130

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$28,284,875	\$23,850,534	\$2,690,040	\$1,744,301	\$0	\$0
(2) Alberta Infrastructure & Transportation	\$854,886	\$0	\$854,886			
(3) Alberta Finance	\$473,498		\$473,498			\$0
(4) Other - Government of Alberta	\$105,651	\$9,040	\$4,800	\$0	\$0	\$91,811
(5) Federal Government and/or First Nations	\$0		\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$15,962	\$15,962	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$153,390	\$153,390				
(10) Transportation fees	\$27,814			\$27,814		
(11) Other sales and services	\$130,121	\$128,274	\$1,250	\$0	\$597	\$0
(12) Investment income	\$258,493	\$193,870	\$46,528	\$10,340	\$7,755	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$37,309	\$0	\$37,309	\$0	\$0	\$0
(15) Net school generated funds	\$485,685	\$485,685			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,569,533	\$0	\$1,569,533	\$0		\$0
(18) TOTAL REVENUES	\$32,397,217	\$24,836,755	\$5,677,844	\$1,782,455	\$8,352	\$91,811
EXPENSES						
(19) Certificated salaries	\$15,567,308	\$15,369,496			\$197,812	\$0
(20) Certificated benefits	\$1,894,683	\$1,874,063			\$20,620	\$0
(21) Non-certificated salaries and wages	\$4,476,655	\$2,487,111	\$1,345,082	\$106,771	\$537,691	\$0
(22) Non-certificated benefits	\$1,064,630	\$626,202	\$271,235	\$25,488	\$141,705	\$0
(23) SUB - TOTAL	\$23,003,276	\$20,356,872	\$1,616,317	\$132,259	\$897,828	\$0
(24) Services, contracts & supplies	\$5,888,254	\$2,751,424	\$1,236,573	\$1,288,735	\$519,711	\$91,811
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$485,685	\$485,685				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,569,533	\$0	\$1,569,533	\$0	\$0	\$0
(28) Unsupported	\$131,426	\$0	\$131,426	\$0	\$0	\$0
(29) Total Amortization	\$1,700,959	\$0	\$1,700,959	\$0	\$0	\$0
Interest on capital debt						
(30) Supported	\$473,498	\$0	\$473,498	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$31,551,672	\$23,593,981	\$5,027,347	\$1,420,994	\$1,417,539	\$91,811
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$845,545	\$1,242,774	\$650,497	\$361,461	(\$1,400,187)	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$17,831,740
Additional Funding for Differential Cost Factors	\$0,080,593
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,389,302
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISi)	\$309,443
SuperNet Services	\$74,815
Children and Youth with Complex Needs	\$85,533
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$35,008
Learning Resources Credit Allocation	\$48,066
Infrastructure Maintenance Renewal (IMR)	\$854,888
Other Funding from Alberta Education (decur/fee)	\$1,507,097
Total Alberta Education Revenues	\$28,284,075

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$1,187,407	\$1,205,321	\$102,618		\$0	\$0	\$2,505,344
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$482,035	\$120,758	\$39,438		\$0		\$652,228
ECS Program Unit (PUF)	\$91,571	\$171,537	\$77,382		\$0		\$340,490
Severe Disabilities (Gr 1-12)	\$81,035	\$712,088	\$110,178		\$0		\$904,078
English as a Second Language (ESL)	\$0	\$43,501	\$0		\$0		\$43,501
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$7,235	\$0		\$0		\$7,235
First Nations, Metis and Inuit Education	\$0	\$303,801	\$82,489		\$0		\$386,290
Alberta Initiative for School Improvement	\$242,351	\$0	\$67,092	\$0	\$0		\$309,443
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$73,988		\$0		\$73,988
Class Size Initiative	\$367,835	\$0	\$0	\$0	\$0		\$367,835
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$25,210		\$0		\$25,220
All Other Student Instruction Expenses (ECS - Gr 12)	\$14,889,957	\$2,078,287	\$2,405,357	\$136,261	\$0	\$5,418,379	\$17,908,529
TOTAL EXPENSES	\$17,461,991	\$5,541,288	\$2,993,718	\$136,261	\$0	\$5,418,379	\$23,505,961

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	9.4	4.5
ECS Program Unit (PUF)	1.2	6.4
Severe Disabilities (Gr 1-12)	1.1	37.9

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$31,661,672
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,577,584
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	3,306
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,577,584
Less: 2006/2007 Board and System Administration expenses	-\$1,417,538
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$160,045

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$431,154
Sources of School Generated Funds:	
Fundraising activities	\$611,048
Student fees (Non-instructional) (Note 1)	\$616,564
Donations and grants to schools	\$67,856
Other (describe):	\$162,360
Net Additions to SGF	\$1,477,828
Net SGF Available	\$971,370
Uses of Net School Generated Funds:	
Extra-curricular activities	\$305,522
School site beautification	\$0
Field Trips	\$73,758
Equipment	\$50,027
Family literacy and other community resources	\$1,388
Other (describe):	\$54,960
Total Uses of Net SGF (Note 2)	\$485,685
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$485,685
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 	

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

GRANDE YELLOWHEAD REGIONAL DIVISION 35

Legal Name of School Jurisdiction

3656 - 1 AVE. EDSON, AB T7E 1S8

Mailing Address

780-723-4471 (phone) and 780-723-2414 9Fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of GRANDE YELLOWHEAD REGIONAL DIVISION 35
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMANMr. John Stitzenberger

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENTDr. Dean Lindquist

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASUREREdward Latka

Name

"ORIGINAL SIGNED"

Signature

5-Dec-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0009)

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Mergaert, Rathgeber & Barford

Chartered Accountants

AUDITORS' REPORT

To the Board of Trustees,
Grande Yellowhead Regional Division No. 35

We have audited the statement of financial position of the Grande Yellowhead Regional Division No. 35 as at August 31, 2007, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007, and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Dated at Edson, Alberta, this 23rd day of November 2007.

Signed: "Original Signed"

Address: #201, 6823 - 4 Avenue

Firm: Mergaert, Rathgeber & Barford

Edson, AB T7E 1S9

Accounting Designation: Chartered Accountants

Telephone No.: (780) 723-4428

Fax No.: (780) 723-2343

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$9,032,437	\$7,212,122
Accounts receivable (net after allowances)	\$764,306	\$968,449
Prepaid expenses	\$357,948	\$257,564
Other current assets	\$53,044	\$84,422
Total current assets	\$10,227,735	\$8,522,557
School generated assets	\$647,517	\$548,647
Trust assets	\$636,127	\$777,754
Long term accounts receivable	\$26,500	\$30,000
Long term investments	\$0	\$0
Capital assets		
Land	\$1,035,589	\$1,035,589
Buildings	\$54,101,183	
Less: accumulated amortization	(\$27,276,742)	\$26,822,441
Equipment	\$12,607,558	
Less: accumulated amortization	(\$9,751,916)	\$2,855,642
Vehicles	\$3,991,345	\$1,976,722
Less: accumulated amortization	(\$1,944,437)	\$2,046,908
Total capital assets	\$32,760,580	\$33,302,480
TOTAL ASSETS	\$44,298,459	\$43,181,418
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$2,539,382	\$2,516,251
Deferred revenue	\$901,081	\$385,125
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$754,493	\$754,493
Total current liabilities	\$4,194,956	\$3,655,869
School generated liabilities	\$647,517	\$548,647
Trust liabilities	\$636,127	\$777,754
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$3,083,696	\$3,838,189
Less: Current portion of supported debt	(\$754,493)	(\$754,493)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$22,780,986	\$23,130,376
Total long term liabilities	\$26,393,833	\$27,540,473
TOTAL LIABILITIES	\$30,588,789	\$31,196,342
NET ASSETS		
Unrestricted net assets	\$1,182,865	\$848,679
Operating Reserves	\$4,643,164	\$4,374,875
Accumulated Operating Surplus (Deficit)	\$5,826,049	\$5,223,554
Investment in capital assets	\$6,895,896	\$6,333,893
Capital Reserves	\$987,725	\$427,629
Total Capital Funds	\$7,883,621	\$6,761,522
Total net assets	\$13,709,670	\$11,985,076
TOTAL LIABILITIES AND NET ASSETS	\$44,298,459	\$43,181,418

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007
(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$46,465,756	\$44,693,246	\$44,413,756
Federal Government and/or First Nations	\$98,673	\$12,000	\$79,865
Other Alberta school authorities	\$204,504	\$148,237	\$64,050
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$9,643	\$9,000	\$9,043
Instruction resource fees	\$333,728	\$329,199	\$340,454
Transportation fees	\$11,522	\$31,500	\$10,302
Other sales and services	\$192,713	\$106,300	\$414,322
Investment income	\$452,084	\$185,000	\$369,301
Gifts and donations	\$36,971	\$0	\$16,347
Rentals of facilities	\$42,556	\$41,700	\$46,464
Net school generated funds	\$887,011	\$665,900	\$901,501
Gains on disposal of capital assets	\$44,756	\$0	\$7,200
Amortization of capital allocations	\$1,324,872	\$1,308,423	\$1,338,029
Total Revenues	\$50,104,789	\$47,530,505	\$48,010,634
EXPENSES			
Certificated salaries	\$21,780,010	\$22,122,836	\$22,783,089
Certificated benefits	\$2,499,345	\$2,342,823	\$2,476,317
Non-certificated salaries and wages	\$7,117,226	\$6,646,176	\$6,653,434
Non-certificated benefits	\$1,985,149	\$2,075,170	\$2,329,877
Services, contracts and supplies	\$11,258,855	\$11,063,507	\$10,182,931
Net school generated funds	\$887,011	\$665,900	\$901,501
Capital and debt services			
Amortization of capital assets			
Supported	\$1,324,872	\$1,308,423	\$1,338,029
Unsupported	\$1,157,742	\$1,143,470	\$1,231,043
Total Amortization of capital assets	\$2,482,614	\$2,451,893	\$2,569,072
Interest on capital debt			
Supported	\$342,264	\$342,200	\$421,471
Unsupported	\$0	\$0	\$0
Total interest on capital debt	\$342,264	\$342,200	\$421,471
Other interest charges	\$715	\$0	\$3,236
Losses on disposal of capital assets	\$27,006	\$0	\$9,921
Total Expenses	\$48,380,195	\$47,710,505	\$48,330,849
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,724,594	(\$180,000)	(\$320,215)
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,724,594	(\$180,000)	(\$320,215)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,724,594	(\$320,215)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,324,872)	(\$1,338,029)
Total amortization expense	\$2,482,614	\$2,569,072
Gains on disposal of capital assets	(\$44,756)	(\$7,200)
Losses on disposal of capital assets	\$27,006	\$9,921
Changes in accrued accounts:		
Accounts receivable	\$184,143	\$2,066,565
Prepays and other current assets	(\$69,006)	\$65,661
Long term accounts receivable	\$3,500	\$3,750
Long term investments	\$0	\$0
Payables and accrued liabilities	\$23,131	(\$2,504,758)
Deferred revenue	\$515,956	(\$636,615)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$3,522,310	(\$91,848)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$220,989)	(\$657,936)
Equipment	(\$1,602,269)	(\$136,666)
Vehicles	(\$139,989)	(\$374,438)
Net proceeds from disposal of capital assets	\$40,263	\$9,900
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$1,922,984)	(\$1,159,140)
C. FINANCING ACTIVITIES		
Capital allocations	\$220,989	\$294,044
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$754,493)	(\$776,992)
Add back: supported portion	\$754,493	\$776,993
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$220,989	\$294,045
Net sources (uses) of cash during year	\$1,820,315	(\$956,943)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,212,122	\$8,169,065
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$9,032,437	\$7,212,122

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$11,985,076	\$6,333,893	\$848,679	\$4,374,875	\$427,629
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$11,985,076	\$6,333,893	\$848,679	\$4,374,875	\$427,629
Excess(def) of revenue over expenses	\$1,724,594		\$1,724,594		
Board funded capital transactions		\$1,771,144	(\$92,474)	(\$1,532,181)	(\$146,489)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,482,614)	\$2,482,614		
Amortization of capital allocations		\$1,324,872	(\$1,324,872)		
Disposal of unsupported capital assets	\$0	(\$51,399)	\$6,643		\$44,756
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,921,913)	\$1,921,913	
Net transfers from operating reserves			\$121,443	(\$121,443)	
Net transfers to capital reserves			(\$661,829)		\$661,829
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$13,709,670	\$6,895,896	\$1,182,885	\$4,643,164	\$987,725

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$23,130,376
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$23,130,376
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$220,989	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$754,493
Expended capital allocations - current year	(\$220,989)	\$220,989
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,324,872
Balance at August 31, 2007	\$0	\$22,780,986

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

1. Authority and Purpose

The Regional Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when they can be reasonably determined.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as a direct increase in the trust assets and liabilities in the period in which they are received or receivable.

b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 10%
Equipment	10% to 20%
Vehicles	10% to 20%

No amortization is recorded in the year of acquisition. Full amortization is recorded in the year of disposal.

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds that come under the control and responsibility of the school principal for school activities. These funds are usually collected, retained, and expended at the school level.

d) Inventories

Inventories are recorded at the lesser of cost and net realizable value.

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

2. Summary of Significant Accounting Policies – Continued

e) Vacation Pay and Banked Overtime

Vacation pay and banked overtime are accrued in the period in which the employee earns the benefit.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered. Because of the difficulty in determining the fair value of these contributed services and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g) Pension Obligation

Pension costs in these statements comprise the cost of employer contributions for current service of employees during the year.

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. At December 31, 2006 the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,568,000). The expense for this pension plan is equivalent to the annual employer contributions for current service of \$426,610 for the year ended August 31, 2007.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Yellowhead Regional Division 35 does not make pension contributions for certificated staff.

h) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

k) Employee Future Benefits

The jurisdiction has accounted for the future cost of employee benefits.

l) Investments

Short term investments are valued at the lower of cost or market.

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

3. **Cash and Temporary Investments**

	2007	2006
Cash in Bank	1,529,227	763,824
Petty Cash Trust	3,210	3,110
Term Deposits*	7,500,000	6,445,188
Total	9,032,437	7,212,122

Cash account earns interest on monthly balances at prime minus 2%.

Term Deposits

Principal	Interest Rate	Maturity Date
3,000,000	4.63%	October 1, 2007
500,000	4.63%	October 1, 2007
2,500,000	4.60%	September 19, 2007
1,500,000	4.68%	October 31, 2007
7,500,000		

4. **Accounts Receivable**

	2007	2006
Alberta Education	116,259	75,996
Alberta Finance	179,830	225,502
Other Prov. of Alberta	5,423	91,543
AB Infrastructure	6,877	293,859
Federal Government	172,332	162,547
First Nations	0	0
AB Municipalities	0	0
Other AB School Jurisdictions	116,000	10,037
Other	187,585	108,965
Total	784,306	968,449

5. **Prepaid Expenses**

	2007	2006
Insurance	5,927	240
Expenses- School/Other	352,021	257,324
Total	357,948	257,564

6. **Other Current Assets**

	2007	2006
Inventory	52,924	84,302
A.M.F.C. Deposit	120	120
Total	53,044	84,422

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

7. Trust Assets and Liabilities

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Carmichael Endowment Fund (Principal)	406,309	406,309
Carmichael Endowment Fund (Interest)	404	1,885
Scholarships	36,140	33,944
Deferred Salary Plan Contributions	22,425	137,337
Student Health Initiative Trust (Banker Board)	170,849	198,279
Total	636,127	777,754

The Carmichael Endowment Fund is held in trust as a scholarship fund for Harry Collinge High School. These funds are held as term certificates at the Royal Bank of Canada. The term deposits are as follows:

Principal	Interest Rate	Maturity Date
80,700	4.05%	September 29, 2007
80,700	3.85%	September 29, 2008
80,700	3.00%	September 29, 2009
80,742	2.94%	September 29, 2010
80,700	4.00%	September 29, 2011
2,767	4.00%	September 29, 2011

Other Scholarships have been established under Board Policy and are administered by Grande Yellowhead. The 'Deferred Salary Plan' contributions are held in trust at the Alberta Treasury Branch (ATB-Financial - Edson).

As the 'Banker' Board for Student Health Initiative Partnership, Grande Yellowhead holds the residual funds in trust.

8. Bank Indebtedness

The Board of Trustees established a Borrowing Resolution with Alberta Treasury (ATB-Financial), Edson for \$700,000 with interest calculated and paid monthly at a rate of 1/4% below prime. The resolution is passed each fall for a one-year term. The line of credit is secured by a security agreement covering all accounts receivable of the jurisdiction.

There was no balance outstanding on the line-of-credit at August 31, 2007. Included in the line-of-credit, Grande Yellowhead has an ATB Mastercard with a credit limit of \$50,000, bearing interest to be calculated at prime + 2%.

9. Accounts Payable and Accrued Liabilities

	2007	2006
Alberta Education	180,176	68,508
Alberta Finance	179,830	225,502
Other Prov. of Alberta	0	122,051
AB Infrastructure	0	0
Federal Government	0	0
First Nations	0	0
AB Municipalities	0	6,864
Other AB School Jurisdictions	0	66,856
Other Trade Payables	2,179,376	2,026,470
Total	2,539,382	2,516,251

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

10. **Deferred Revenue**

	2007	2006
Infrastructure Maintenance Program	843,835	343,871
Alberta Initiative for School Improvement	17,354	0
Advanced Education – Supernet funding	7,552	0
Student Health Initiative (Infrastructure Funding)	29,712	29,712
Other	2,628	11,542
Total	901,081	385,125

11. **Long-Term Debt**

a) Debenture Debt - Supported

The debentures were acquired to finance buildings constructed by the jurisdiction. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. The debenture debt bears interest at rates varying between 7.5% and 12%. The debt matures over the period 2009 to 2015.

	2007			2006
	Total	Current Portion	Long-Term Portion	Long-Term Portion
Alberta Finance	3,083,696	754,493	2,329,203	3,083,696

Principal repayments required in each of the next five fiscal years are as follows:

2007-2008	754,493
2008-2009	754,493
2009-2010	613,302
2010-2011	448,977
2011-2012	306,181
2012 and beyond	206,250

b) Capital Leases – Unsupported

There is currently no capital lease held by the jurisdiction.

12. **Deferred Capital Allocations**

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these allocations are transferred to unamortized capital allocations.

13. **Asset Retirement Obligations**

Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operations. A legal liability exists when the purchase, sale or transfer agreement states that it does, or when there is legislation relating to an obligation to take action when a property is retired.

Grande Yellowhead believes that there is no significant risk with respect to any property held and therefore no liability has been established.

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

14. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

15. Reserves

Reserves represent funds allocated for future capital and operating expenditures. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

Operating Reserves	Balance Aug 31, 2006	Contributions During 2007	Utilized During 2007	Balance Aug. 31, 2007
Instruction – ECS	580,800			580,800
Instruction	621,036		(5,328)	615,708
Instruction – Severe Needs Support	0	375,000		375,000
Instruction – First Nations, Metis & Inuit Education	0	90,000		90,000
Instruction – Professional Growth (ATA contractual obligation)	166,544	31,754		198,298
Instruction – Technology	1,236,203	624,840	(1,608,723)	252,320
Schools	491,160	14,437		505,597
Schools (resource allocations)	0	652,250		652,250
System Administration	180,795	10,000		190,795
Transportation	279,312			279,312
Operations & Maintenance- General	470,299	3,364	(30,033)	443,630
Administration Building Reserve	132,462	57,654	(9,542)	180,574
Non Supported Building Reserve	216,265	62,615		278,880
Total	4,374,876	1,921,914	(1,653,626)	4,643,164

Capital Reserves	Balance Aug 31, 2006	Contributions During 2007	Utilized During 2007	Balance Aug 31, 2007
System Administration equipment	61,379	12,727	0	74,106
Bus replacement	180,183	461,441	(56,679)	584,945
Maintenance fleet replacement	81,666	178,214	(37,750)	222,130
Other vehicle replacement	104,401	54,202	(52,059)	106,544
Total	427,629	706,584	(146,488)	987,725
Total operating and capital	4,802,505	2,628,497	(1,800,113)	5,630,889

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

16. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta

2006-2007	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Alberta Education	162,401	180,176	46,123,492	0
Infrastructure & Transportation	6,877	0	0	0
Alberta Finance	179,830	179,830	342,264	342,264
Health & Wellness	0	0	273,860	29,049
Human Resources/Employment	0	0	0	0
Other Gov't Departments	9,216	65,915	140,578	221,887
Health Authorities	0	0	0	0
Post-secondary Institutions	0	0	0	0
Other AB School Jurisdiction	128,552	54,812	224,935	114,167
Total 2006-2007	486,876	480,733	47,105,129	707,367

17. Budget Amounts

The budget was prepared by the school jurisdiction and the Board of Trustees gave approval on June 22, 2006. It is presented for information only and has not been audited.

18. Comparative Figures

The Budget 2007 and Actual 2006 comparative figures have been reclassified where necessary to conform to Actual 2007 presentation.

19. Commitments

Copier Lease - Xerox

Xerox and Grande Yellowhead entered into an agreement for a "Total Document Solution". The agreement covers the annual lease for equipment and software for electronic document management.

The lease was renewed in December 2006 for a five -year term ending August 31, 2012. The annual base contract charge is \$317,756.

21. Economic Dependence on Related Third Party

Grande Yellowhead Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

Grande Yellowhead Regional Division No. 35
Notes to the Financial Statement
For The Year Ended August 31, 2007

22. **Remuneration and Monetary Incentives**

Board Members	FTE	Remuneration	Benefits	Allowance s	Performance Bonuses	Erip's/Othe r	Expenses
Chair: Mahon, S.	1.00	21,555	4,309				11,355
Other members:							
Akers, L.	1.00	22,597	5,462				16,158
Caputo, S.	1.00	16,655	1,954				7,548
Krewusik, R.	1.00	15,661	3,792				15,468
Stitzenberger, J.	1.00	15,556	5,215				5,947
Wall, G.	1.00	13,927	5,511				13,796
Sub-total:	6.00	105,951	26,243				70,272
Linguist, Dean	1.00	130,900	14,815				23,583
Johnston, Alvin	1.00	128,012	4,936				4,952
Certificated	299.5	21,620,575	2,483,260				
Non-certificated	189.5	6,911,798	1,955,240				
Totals:	497.0	28,897,236	4,484,494				98,807

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

GRANDE YELLOWHEAD REGIONAL DIVISION 35

Legal Name of School Jurisdiction

3656 - 1Ave., Edson, AB T7E 1S8

Mailing Address

780-723-4471(phone) and 780-723-2414 (fax)+A73

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Mr. Edward Latka

Name

"ORIGINAL SIGNED"

Signature

5-Dec-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code: 1085

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$46,123,482	\$34,522,879	\$6,099,107	\$3,540,170	\$1,888,312	\$73,024
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$342,264		\$342,264			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$98,673	\$98,673	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$204,504	\$143,004	\$0	\$0	\$0	\$61,500
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$9,643	\$9,643	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$333,728	\$333,728				
(10) Transportation fees	\$11,522			\$11,522		
(11) Other sales and services	\$192,713	\$111,015	\$1,500	\$6,838	\$16,500	\$56,860
(12) Investment income	\$452,084	\$318,564	\$83,663	\$30,795	\$19,062	\$0
(13) Gifts and donations	\$36,971	\$14,314	\$22,657	\$0		\$0
(14) Rentals of facilities	\$42,556	\$0	\$41,701	\$855	\$0	\$0
(15) Net school generated funds	\$887,011	\$887,011			\$0	
(16) Gains on disposal of capital assets	\$44,756	\$0	\$10,743	\$34,013	\$0	\$0
(17) Amortization of capital allocations	\$1,324,872	\$30,071	\$1,294,801	\$0		\$0
(18) TOTAL REVENUES	\$50,104,789	\$36,468,902	\$7,896,436	\$3,624,193	\$1,923,874	\$191,384
EXPENSES						
(19) Certificated salaries	\$21,780,010	\$21,432,177			\$347,833	\$0
(20) Certificated benefits	\$2,499,345	\$2,462,397			\$36,948	\$0
(21) Non-certificated salaries and wages	\$7,117,226	\$4,712,009	\$837,648	\$936,721	\$630,848	\$0
(22) Non-certificated benefits	\$1,985,149	\$1,403,485	\$197,488	\$247,579	\$136,597	\$0
(23) SUB - TOTAL	\$33,381,730	\$30,010,068	\$1,035,136	\$1,184,300	\$1,152,226	\$0
(24) Services, contracts & supplies	\$11,258,854	\$3,270,011	\$5,064,651	\$2,063,190	\$669,618	\$191,384
(25) Cost recoveries between programs	\$0	\$182,393	(\$132,000)	(\$87,168)	\$36,775	\$0
(26) Net school generated funds	\$887,011	\$887,011				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,324,872	\$30,071	\$1,294,801	\$0	\$0	\$0
(28) Unsupported	\$1,157,742	\$676,483	\$141,105	\$327,428	\$12,726	\$0
(29) Total Amortization	\$2,482,614	\$706,554	\$1,435,906	\$327,428	\$12,726	\$0
Interest on capital debt						
(30) Supported	\$342,264	\$0	\$342,264	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$715	\$278	\$245	\$192	\$0	\$0
(33) Losses on disposal of capital assets	\$27,006	\$20,468	\$0	\$6,538	\$0	\$0
(34) TOTAL EXPENSES	\$48,380,194	\$35,076,783	\$7,746,202	\$3,494,480	\$1,871,345	\$191,384
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,724,595	\$1,392,119	\$150,234	\$129,713	\$52,529	\$0

SCHEDULE B ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$26,410,775
Additional Funding for Differential Cost Factors	\$15,111,553
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,400,403
Student Health Initiative (SHI)	\$195,335
Alberta Initiative for School Improvement (AISi)	\$644,506
SuperNet Services	\$254,217
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$69,306
Infrastructure Maintenance Renewal (IMR)	\$1,457,570
Other Funding from Alberta Education (describe)	\$579,825
Total Alberta Education Revenues	\$46,123,492

SCHEDULE C ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$2,278,859	\$1,677,379	\$622,310		\$0	\$19,515	\$4,587,663
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$0	\$482,950	\$100,485		\$0		\$583,435
ECS Program Unit (PUF)	\$60,112	\$373,982	\$83,055		\$0		\$517,149
Severe Disabilities (Gr 1-12)	\$75,365	\$2,816,306	\$255,115		\$0		\$3,146,786
English as a Second Language (ESL)	\$0	\$20,513	\$0		\$0		\$20,513
French Language & Francisation	\$60,000	\$19,187	\$9,972		\$0		\$89,159
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$186,080	\$32,572	\$45,620		\$0		\$264,272
Alberta Initiative for School Improvement	\$598,517	\$1,054	\$45,016	\$0	\$0		\$644,587
Student Health Initiative	\$3,980	\$122,796	\$67,885		\$0		\$194,661
SuperNet Service			\$255,516		\$0		\$255,516
Class Size Initiative	\$1,447,475	\$0	\$0	\$0	\$0		\$1,447,475
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$19,184,386	\$568,755	\$1,001,701	\$783,332	\$182,393	\$1,594,800	\$23,315,367
TOTAL EXPENSES	\$23,894,574	\$6,115,494	\$2,486,675	\$783,332	\$182,393	\$1,614,315	\$35,076,783

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	10.2
ECS Program Unit (PUF)	0.5	11.3
Severe Disabilities (Gr 1-12)	0.7	89.0

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$48,380,194
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,206,137
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,206,137
Less: 2006/2007 Board and System Administration expenses	-\$1,871,349
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$334,792

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$548,647		
Sources of School Generated Funds:			
	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$676,823	\$386,430	\$290,493
Student fees (Non-Instructional) (Note 1)	\$426,825	\$0	\$426,825
Donations and grants to schools	\$259,846	\$0	\$259,846
Other (describe):	\$6,873	\$156	\$6,717
Net Additions to SGF	\$1,372,467	\$386,586	\$985,881
Net SGF Available	\$1,534,528		
Uses of Net School Generated Funds:			
Extra-curricular activities	\$709,097		
School site beautification	\$1,370		
Field Trips	\$86,329		
Equipment	\$44,836		
Family literacy and other community resources	\$0		
Other (describe):	\$35,379		
Total Uses of Net SGF (Note 2)	\$887,011		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$647,517		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>			
Notes:			
1	Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.		
2	Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.		
3	Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

GRASSLANDS REGIONAL DIVISION NO. 6

Legal Name of School Jurisdiction

745 2ND AVE. E., BROOKS, AB T1R 1L2

Mailing Address

403-793-6700 403 - 362-8225

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of GRASSLANDS REGIONAL DIVISION NO. 6 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gordon Krinkle

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Susan Chomistek

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Lee Ann Woods

Name

"ORIGINAL SIGNED"

Signature

November 26, 2007

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Grasslands Regional Division No. 6

We have audited the statement of financial position of the Grasslands Regional Division No. 6 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

November 13, 2007

Young Parkyn McNab LLP

Chartered Accountants

LETHBRIDGE • FORT MACLEOD • CLARESHOLM • TABER • MILK RIVER • *PINCHER CREEK

* Denotes Part-Time Office

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$11,988,859	\$7,548,163
Accounts receivable (net after allowances)	\$644,985	\$643,484
Prepaid expenses	\$25,891	\$8,940
Other current assets	\$94,377	\$81,493
Total current assets	\$12,754,112	\$8,282,080
School generated assets	\$550,166	\$491,742
Trust assets	\$260,885	\$214,411
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$488,355	\$488,355
Buildings	\$33,269,433	
Less: accumulated amortization	(\$18,802,770)	
	\$14,466,663	\$13,435,396
Equipment	\$1,035,412	
Less: accumulated amortization	(\$687,823)	
	\$347,589	\$372,762
Vehicles	\$3,703,673	
Less: accumulated amortization	(\$1,922,847)	
	\$1,781,026	\$1,607,694
Total capital assets	\$17,083,632	\$15,904,207
TOTAL ASSETS	\$30,648,796	\$24,892,440
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,289,434	\$2,406,402
Deferred revenue	\$1,427,988	\$354,359
Deferred capital allocations	\$3,416,249	\$571,789
Current portion of all long term debt	\$489,192	\$568,337
Total current liabilities	\$6,622,863	\$3,900,887
School generated liabilities	\$550,166	\$491,742
Trust liabilities	\$260,885	\$214,411
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported:		
Debtures and other supported debt	\$5,172,723	\$5,741,060
Less: Current portion of supported debt	(\$489,192)	(\$568,337)
Unsupported: Debtures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$8,285,078	\$6,620,317
Total long term liabilities	\$13,779,659	\$12,499,192
TOTAL LIABILITIES	\$20,402,522	\$16,400,079
NET ASSETS		
Unrestricted net assets	\$2,061,165	\$1,582,007
Operating Reserves	\$4,367,770	\$3,182,297
Accumulated Operating Surplus (Deficit)	\$6,428,935	\$4,764,304
Investment in capital assets	\$3,625,830	\$3,542,829
Capital Reserves	\$191,508	\$185,228
Total Capital Funds	\$3,817,338	\$3,728,057
Total net assets	\$10,246,273	\$8,492,361
TOTAL LIABILITIES AND NET ASSETS	\$30,648,796	\$24,892,440

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$31,833,662	\$32,427,720	\$30,205,249
Federal Government and/or First Nations	\$569,843	\$590,400	\$612,957
Other Alberta school authorities	\$20,800	\$20,800	\$17,800
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$8,053	\$6,000	\$8,052
Instruction resource fees	\$284,727	\$256,209	\$278,463
Transportation fees	\$0	\$0	\$0
Other sales and services	\$250,894	\$612,955	\$220,930
Investment income	\$353,866	\$170,000	\$268,293
Gifts and donations	\$18,184	\$0	\$36,939
Rentals of facilities	\$81,949	\$82,450	\$73,088
Net school generated funds	\$623,743	\$627,707	\$643,053
Gains on disposal of capital assets	\$6,280	\$0	\$0
Amortization of capital allocations	\$853,492	\$853,482	\$853,492
Total Revenues	\$34,905,494	\$35,647,723	\$33,218,116
EXPENSES			
Certificated salaries	\$16,042,578	\$16,208,392	\$15,647,053
Certificated benefits	\$1,626,484	\$1,661,320	\$1,636,208
Non-certificated salaries and wages	\$6,125,675	\$6,562,074	\$5,975,632
Non-certificated benefits	\$1,114,619	\$1,175,473	\$1,098,752
Services, contracts and supplies	\$5,869,042	\$7,254,524	\$5,598,427
Net school generated funds	\$623,743	\$627,707	\$643,053
Capital and debt services			
Amortization of capital assets			
Supported	\$853,492	\$853,482	\$853,492
Unsupported	\$366,628	\$395,594	\$395,594
Total Amortization of capital assets	\$1,220,120	\$1,249,076	\$1,249,086
Interest on capital debt			
Supported	\$512,242	\$512,242	\$568,571
Unsupported	\$0	\$0	\$0
Total interest on capital debt	\$512,242	\$512,242	\$568,571
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$17,078	\$0	\$20,345
Total Expenses	\$33,151,581	\$35,250,808	\$32,437,127
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,753,912	\$396,915	\$780,989
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,753,912	\$396,915	\$780,989

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,753,912	\$780,989
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$853,492)	(\$853,492)
Total amortization expense	\$1,220,120	\$1,249,086
Gains on disposal of capital assets	(\$6,280)	\$0
Losses on disposal of capital assets	\$17,078	\$20,345
Changes in accrued accounts:		
Accounts receivable	(\$1,501)	\$555,167
Prepays and other current assets	(\$29,835)	\$69,473
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$1,116,968)	\$176,094
Deferred revenue	\$1,073,629	(\$250,210)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,056,663	\$1,747,452
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$1,949,916)	(\$1,649,699)
Equipment	(\$92,128)	(\$58,776)
Vehicles	(\$374,579)	(\$209,653)
Net proceeds from disposal of capital assets	\$6,280	\$1,000
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$2,410,343)	(\$1,917,128)
C. FINANCING ACTIVITIES		
Capital allocations	\$4,794,376	\$1,972,052
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$568,337)	(\$606,675)
Add back: supported portion	\$568,337	\$606,675
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$4,794,376	\$1,972,051
Net sources (uses) of cash during year	\$4,440,696	\$1,802,375
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,548,163	\$5,745,788
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$11,988,859	\$7,548,163

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$8,492,361	\$3,542,829	\$1,582,007	\$3,182,297	\$185,228
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$8,492,361	\$3,542,829	\$1,582,007	\$3,182,297	\$185,228
Excess(def) of revenue over expenses	\$1,753,912		\$1,753,912		
Board funded capital transactions		\$466,707	(\$466,707)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,220,120)	\$1,220,120		
Amortization of capital allocations		\$853,492	(\$853,492)		
Disposal of unsupported capital assets	\$0	(\$17,078)	\$10,798		\$6,280
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,185,473)	\$1,185,473	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$10,246,273	\$3,625,830	\$2,061,165	\$4,367,770	\$191,508

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$571,789	\$6,620,317
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$571,789	\$6,620,317
<u>Add:</u>		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$4,694,072	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$100,304	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$568,337
Expended capital allocations - current year	(\$1,949,916)	\$1,949,916
<u>Less:</u>		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$853,492
Balance at August 31, 2007	\$3,416,249	\$8,285,078

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GRASSLANDS REGIONAL DIVISION NO. 6
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Temporary investments

Temporary investments are valued at cost. Accrued interest is recorded as it is earned.

c) Prepaid expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

d) Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the basis of the most recent invoice.

GRASSLANDS REGIONAL DIVISION NO. 6
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

2. Summary of significant accounting policies (continued)

e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight-line basis over the assets' estimated useful lives using the following annual rates:

Buildings	25 to 40 years
Equipment and furnishings	5 to 10 years
Vehicles and buses	10 to 13 years

There is no amortization charged in the year of acquisition.

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

f) School generated funds

These are funds which come under the control and responsibility of a school principal for school activities. These funds are usually collected, retained and expended at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

g) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

h) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grasslands School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$170,330 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

i) Contributed services

Volunteers contribute a considerable number of hours per year to schools within the school division to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

GRASSLANDS REGIONAL DIVISION NO. 6**NOTES TO FINANCIAL STATEMENTS****For the Year Ended August 31, 2007**

2. Summary of significant accounting policies (continued)**j) Financial instruments**

The financial instruments consist of cash and temporary investments, accounts receivable, trust assets, accounts payable and accrued liabilities, trust liabilities and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

k) Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the School Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Temporary investments

Temporary investments consist of a \$500,000 term deposit with Chinook Credit Union Ltd. which bears interest at 1.94% and matures September 6, 2007.

4. Accounts receivable

	2007	2006
Alberta Education	\$ 279,236	\$ 337,876
Alberta Finance	4,800	4,800
Alberta Mental Health Board	55,704	-
Federal Government	258,761	256,579
Other	46,484	44,229
	<u>\$ 644,985</u>	<u>\$ 643,484</u>

5. Accounts payable and accrued liabilities

	2007	2006
Alberta Finance	\$ 301,925	\$ 336,875
Federal Government	801	-
Other	986,708	2,069,528
	<u>\$ 1,289,434</u>	<u>\$ 2,406,403</u>

GRASSLANDS REGIONAL DIVISION NO. 6
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

6. Deferred revenue

	2007	2006
Infrastructure maintenance program - carry forward from prior year	\$ 313,403	\$ 124,775
Infrastructure maintenance program	930,270	142,932
Alberta initiative for school improvement	97,233	42,270
One-time funding technology grant	848	7,903
Other	86,234	36,479
	<u>\$ 1,427,988</u>	<u>\$ 354,359</u>

7. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the School Division are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized on a basis consistent with the capital asset that the allocation funded.

8. Trust assets and liabilities

These balances represent cash that is held in trust by the School Division for the following areas:

	2007	2006
Scholarship trusts	\$ 213,266	\$ 214,411
Deferred salary leave plan	47,619	-
	<u>\$ 260,885</u>	<u>\$ 214,411</u>

9. Long-term debt

a) Debenture debt - supported

The debenture debt bears interest at rates varying between 7.625% and 10.750%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	\$ 489,192	\$ 460,262	\$ 949,454
2008-2009	476,327	416,008	892,335
2009-2010	429,775	372,913	802,688
2010-2011	429,775	334,822	764,597
2011-2012	429,775	296,731	726,506
2012 to maturity	2,917,878	1,020,093	3,937,971
	<u>\$ 5,172,722</u>	<u>\$ 2,900,829</u>	<u>\$ 8,073,551</u>

GRASSLANDS REGIONAL DIVISION NO. 6
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

10. Unamortized capital allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debenture capital funds, as the principal is repaid.

11. Related party transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. Grasslands Regional Division No. 6 had related party transactions for the year ended August 31, 2007 with the Government of Alberta recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

2006-2007	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$ 279,236	\$ 158,443	\$ 30,557,843	\$ -
Infrastructure & Transportation	-	418,578	318,124	-
Finance	4,800	-	1,365,734	-
Health & Wellness	-	-	-	-
Human Resources/Employment	-	-	4,800	-
Other Gov't of Alberta departments	301,925	301,925	53,589	-
Other:				
Health authorities	55,704	-	387,064	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions	-	-	20,800	-
Other related parties	-	-	-	-
TOTAL 2006-2007	\$ 641,665	\$ 878,946	\$ 32,707,954	\$ -
TOTAL 2005-2006	\$ 342,016	\$ 654,755	\$ 31,076,341	\$ -

GRASSLANDS REGIONAL DIVISION NO. 6
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

12. Economic dependence on related third party

The Grasslands School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

13. Budget amounts

The budget was prepared by the School Division management with Board of Trustees approval. It is presented for information purposes only and has not been audited.

14. Comparative figures

The Budget 2007 and Actual 2006 comparative figures have been reclassified where necessary to conform to Actual 2007 presentation.

15. Commitments

a) Building Projects: The jurisdiction is committed to further capital expenditures of approximately \$20,000,000 to complete construction at the Bassano and Duchess schools. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

16. Remuneration and monetary incentives

The Grasslands Regional Division has paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	GRIPs / Other	Expenses
Chair - Gordon Krinke	1.0	\$ 13,539	\$ 4,420	\$ -	-	-	\$ 2,625
Other members		-	-	-	-	-	-
Jo-Lee Godfrey	1.0	13,006	3,200	-	-	-	5,098
Lee Pickett	1.0	10,886	4,373	-	-	-	3,912
Shaun Roth	1.0	9,461	4,373	-	-	-	256
Max Tateon	1.0	7,361	3,266	-	-	-	422
Inge Erlson	1.0	12,053	4,373	-	-	-	868
		-	-	-	-	-	-
Subtotal	8.0	\$ 68,285	\$ 24,002	\$ -	-	-	\$ 13,781
Superintendent	0.6	78,000	7,679	-	-	-	6,640
Secretary/Treasurer	1.0	108,000	19,975	-	-	-	6,337
Board Secretary		-	-	-	-	-	-
Board Treasurer		-	-	-	-	-	-
Certificated Teachers	212.7	15,984,678	1,618,906	-	-	-	-
Non-certificated - Other	270.4	5,951,380	1,070,638	-	-	-	-
TOTALS		\$ 22,184,293	\$ 2,741,103	\$ -	\$ -	\$ -	-

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

GRASSLANDS REGIONAL DIVISION NO. 6

Legal Name of School Jurisdiction

745 2ND AVE. E., BROOKS, AB T1R 1L2

Mailing Address

403-793-6700 403 - 362-8225

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Lee Ann Woods

Name

"ORIGINAL SIGNED"

Signature

November 26, 2007

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 2045

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$30,557,843	\$24,326,338	\$2,725,163	\$2,120,942	\$1,385,400	\$0
(2) Alberta Infrastructure & Transportation	\$318,124	\$318,124	\$0			
(3) Alberta Finance	\$512,242		\$512,242			\$0
(4) Other - Government of Alberta	\$445,453	\$53,589	\$4,800	\$0	\$0	\$387,064
(5) Federal Government and/or First Nations	\$569,843	\$509,519	\$26,400	\$5,717	\$28,206	\$0
(6) Other Alberta school authorities	\$20,800	\$19,760	\$0	\$0	\$1,040	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$8,053	\$0	\$8,053	\$0	\$0	\$0
(9) Instruction resource fees	\$284,727	\$284,727				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$250,894	\$206,009	\$2,576	\$9,032	\$33,277	\$0
(12) Investment income	\$353,866	\$305,866	\$0	\$0	\$48,000	\$0
(13) Gifts and donations	\$18,184	\$18,184	\$0	\$0		\$0
(14) Rentals of facilities	\$81,949	\$0	\$81,949	\$0	\$0	\$0
(15) Net school generated funds	\$623,743	\$623,743			\$0	
(16) Gains on disposal of capital assets	\$6,280	\$0	\$0	\$6,280	\$0	\$0
(17) Amortization of capital allocations	\$853,492	\$0	\$853,492	\$0		\$0
(18) TOTAL REVENUES	\$34,905,494	\$26,865,860	\$4,214,675	\$2,141,971	\$1,495,923	\$387,064
EXPENSES						
(19) Certificated salaries	\$16,042,578	\$15,582,875			\$422,182	\$37,540
(20) Certificated benefits	\$1,826,484	\$1,592,277			\$29,840	\$4,367
(21) Non-certificated salaries and wages	\$6,125,675	\$3,482,474	\$1,209,563	\$821,384	\$507,229	\$125,026
(22) Non-certificated benefits	\$1,114,619	\$635,858	\$242,001	\$102,983	\$117,522	\$16,254
(23) SUB - TOTAL	\$24,909,356	\$21,273,485	\$1,451,564	\$924,367	\$1,076,753	\$183,188
(24) Services, contracts & supplies	\$5,869,042	\$2,907,066	\$1,672,050	\$772,354	\$357,546	\$180,026
(25) Cost recoveries between programs	\$0	\$58,140	(\$69,919)	(\$32,221)	\$0	\$44,000
(26) Net school generated funds	\$623,743	\$623,743				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$853,492	\$0	\$853,492	\$0	\$0	\$0
(28) Unsupported	\$366,628	\$71,218	\$73,279	\$198,285	\$23,846	\$0
(29) Total Amortization	\$1,220,120	\$71,218	\$926,771	\$198,285	\$23,846	\$0
Interest on capital debt						
(30) Supported	\$512,242	\$0	\$512,242	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$17,078	\$17,078	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$33,151,581	\$24,950,730	\$4,492,708	\$1,862,785	\$1,458,145	\$387,214
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,753,912	\$1,715,130	(\$278,032)	\$279,187	\$37,779	(\$150)

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$17,790,460
Additional Funding for Differential Cost Factors	\$11,062,279
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$985,610
Student Health Initiative (SHI)	\$287,112
Alberta Initiative for School Improvement (AISi)	\$390,349
SuperNet Services	\$94,588
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$50,389
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe) Technology grant deferred in prior yr.	\$7,056
Total Alberta Education Revenues	\$30,557,843

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$1,449,387	\$684,463	\$395,821		\$0	\$0	\$2,729,671
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$748,302	\$478,510	\$77,829		\$0		\$1,304,641
ECS Program Unit (PUF)	\$40,850	\$581,614	\$277,028		\$0		\$899,792
Severe Disabilities (Gr 1-12)	\$756,090	\$1,238,361	\$104,885		\$0		\$2,099,335
English as a Second Language (ESL)	\$195,985	\$259,550	\$1,946		\$0		\$427,480
French Language & Francisation	\$0	\$0	\$368		\$0		\$368
Enhanced ESL/Francisation & Supports for Immigrant Students	\$32,252	\$17,718	\$0		\$0		\$49,970
First Nations, Metis and Inuit Education	\$0	\$8,811	\$1,077		\$0		\$9,887
Alberta Initiative for School Improvement	\$243,488	\$15,993	\$130,889	\$0	\$0		\$390,349
Student Health Initiative	\$0	\$26,825	\$260,487		\$0		\$287,112
SuperNet Service			\$69,584		\$0		\$69,584
Class Size Initiative	\$750,614	\$0	\$0	\$0	\$122,599		\$873,213
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$12,986,206	\$586,387	\$754,544	\$802,609	(\$84,460)	\$712,039	\$15,779,326
TOTAL EXPENSES	\$17,175,152	\$4,098,332	\$2,104,457	\$802,609	\$58,140	\$712,039	\$24,950,730

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	7.8	21.3
ECS Program Unit (PUF)	0.5	26.1
Severe Disabilities (Gr 1-12)	14.2	71.4

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES		\$33,151,581
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.38%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<small>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at 0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X 0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</small>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$1,783,887
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	3,238	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$1,783,887
Less: 2006/2007 Board and System Administration expenses		-\$1,458,145
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$325,742

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006				\$491,742
Sources of School Generated Funds:				
Fundraising activities	\$1,335,848	\$711,941	\$623,907	
Student fees (Non-Instructional) (Note 1)	\$0	\$0	\$0	
Donations and grants to schools	\$58,260	\$0	\$58,260	
Other (describe):	\$0	\$0	\$0	
Net Additions to SGF	\$1,394,108	\$711,941		\$682,167
Net SGF Available				\$1,173,909
Uses of Net School Generated Funds:				
Extra-curricular activities			\$249,497	
School site beautification			\$0	
Field Trips			\$374,248	
Equipment			\$0	
Family literacy and other community resources			\$0	
Other (describe):			\$0	
Total Uses of Net SGF (Note 2)				\$623,743
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)				\$550,166
<small>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</small>				
Notes:				
1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.				
2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.				
3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.				

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Greater North Central Francophone Education Region No. 2

Legal Name of School Jurisdiction

301, 8627 - 91 Street, Edmonton, Alberta, T6C 3N1

Mailing Address

Telephone: (780) 468-6440 and Fax: (780) 440-1631

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Greater North Central Francophone Education Region No. 2
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Josée Devaney

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Henri Lemire

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Robert Nantel

Name

"ORIGINAL SIGNED"

Signature

13-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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Auditors' Report

To the Board of Trustees,
The Greater North Central Francophone
Education Region No. 2

We have audited the statement of financial position of **The Greater North Central Francophone Education Region No. 2** as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

King + Company

Edmonton, AB
November 2, 2007

KING & COMPANY,
Chartered Accountants

KING & COMPANY CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$4,357,806	\$2,556,567
Accounts receivable (net after allowances)	\$944,771	\$1,697,856
Prepaid expenses	\$439,205	\$272,500
Other current assets	\$0	\$0
Total current assets	\$5,741,782	\$4,526,923
School generated assets	\$226,768	\$251,652
Trust assets	\$99,628	\$47,728
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$5,624,000	\$5,624,000
Buildings	\$28,839,595	
Less: accumulated amortization	(\$11,445,223)	
Equipment	\$2,346,598	
Less: accumulated amortization	(\$1,716,946)	
Vehicles	\$108,652	
Less: accumulated amortization	(\$45,830)	
Total capital assets	\$23,708,846	\$24,304,247
TOTAL ASSETS	\$29,777,024	\$29,130,548
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,031,264	\$1,289,209
Deferred revenue	\$896,978	\$345,189
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$14,829	\$14,829
Total current liabilities	\$1,943,071	\$1,649,227
School generated liabilities	\$226,768	\$251,652
Trust liabilities	\$99,628	\$47,728
Employee future benefits liability	\$170,000	\$131,000
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$44,378	\$56,206
Less: Current portion of supported debt	(\$14,829)	(\$14,829)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$17,129,753	\$17,894,427
Total long term liabilities	\$17,655,698	\$18,369,182
TOTAL LIABILITIES	\$19,598,769	\$20,018,409
NET ASSETS		
Unrestricted net assets	\$3,462,223	\$2,444,647
Operating Reserves	\$151,317	\$146,878
Accumulated Operating Surplus (Deficit)	\$3,613,540	\$2,591,525
Investment in capital assets	\$6,534,715	\$6,350,614
Capital Reserves	\$30,000	\$170,000
Total Capital Funds	\$8,584,715	\$8,520,614
Total net assets	\$10,178,255	\$9,112,139
TOTAL LIABILITIES AND NET ASSETS	\$29,777,024	\$29,130,548

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note) Restated	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$25,444,798	\$25,816,392	\$22,415,302
Federal Government and/or First Nations	\$1,292,649	\$1,103,686	\$993,924
Other Alberta school authorities	\$188,739	\$193,475	\$210,553
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$3,183	\$5,000	\$3,967
Instruction resource fees	\$175,736	\$200,000	\$165,617
Transportation fees	\$0	\$0	\$0
Other sales and services	\$49,291	\$46,000	\$38,499
Investment income	\$135,883	\$116,000	\$137,479
Gifts and donations	\$1,779	\$6,000	\$2,280
Rentals of facilities	\$37,548	\$35,376	\$18,766
Net school generated funds	\$581,104	\$300,000	\$496,620
Gain on disposal of capital assets	\$0	\$0	\$11,150
Amortization of capital allocations	\$1,373,021	\$1,373,021	\$1,320,238
Total Revenues	\$29,283,731	\$29,194,950	\$25,814,395
EXPENSES			
Certificated salaries	\$11,558,554	\$11,650,000	\$9,950,400
Certificated benefits	\$1,334,427	\$1,400,000	\$1,137,806
Non-certificated salaries and wages	\$3,415,743	\$3,400,000	\$2,950,919
Non-certificated benefits	\$639,978	\$650,000	\$544,658
Services, contracts and supplies	\$9,146,128	\$9,976,414	\$8,748,393
Net school generated funds	\$581,104	\$300,000	\$496,620
Capital and debt services			
Amortization of capital assets			
Supported	\$1,373,021	\$1,373,021	\$1,320,238
Unsupported	\$161,921	\$161,923	\$125,371
Total Amortization of capital assets	\$1,534,942	\$1,534,944	\$1,445,609
Interest on capital debt			
Supported	\$6,202	\$8,592	\$7,947
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$6,202	\$8,592	\$7,947
Other interest charges	\$537	\$0	\$471
Losses on disposal of capital assets	\$0	\$0	\$3,992
Total Expenses	\$28,217,615	\$28,919,950	\$25,286,615
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,066,116	\$275,000	\$527,780
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,066,116	\$275,000	\$527,780

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,066,116	\$527,780
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,373,021)	(\$1,320,238)
Total amortization expense	\$1,534,942	\$1,445,609
Gains on disposal of capital assets	\$0	(\$11,150)
Losses on disposal of capital assets	\$0	\$3,992
Changes in accrued accounts:		
Accounts receivable	\$753,085	(\$552,281)
Prepays and other current assets	(\$166,705)	(\$95,675)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$257,945)	\$801,593
Deferred revenue	\$551,789	(\$460,009)
Employee future benefit expense (recovery)	\$39,000	\$37,000
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,147,261	\$376,621
B. INVESTING ACTIVITIES		
Purchases of capital assets:		
Land	\$0	\$0
Buildings	(\$616,735)	(\$829,856)
Equipment	(\$288,708)	(\$48,221)
Vehicles	(\$34,098)	\$0
Net proceeds from disposal of capital assets	\$0	\$11,150
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$939,541)	(\$866,927)
C. FINANCING ACTIVITIES		
Capital allocations	\$593,518	\$429,068
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$14,828)	(\$14,829)
Add back: supported portion	\$14,829	\$14,829
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$593,519	\$429,068
Net sources (uses) of cash during year	\$1,801,239	(\$61,238)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$2,556,567	\$2,617,805
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$4,357,806	\$2,556,567

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$9,112,139	\$6,350,614	\$2,444,647	\$146,878	\$170,000
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$9,112,139	\$6,350,614	\$2,444,647	\$146,878	\$170,000
Excess(def) of revenue over expenses	\$1,066,116		\$1,066,116		
Board funded capital transactions		\$346,022	(\$346,022)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,534,942)	\$1,534,942		
Amortization of capital allocations		\$1,373,021	(\$1,373,021)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$4,439)	\$4,439	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$140,000		(\$140,000)
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$10,178,255	\$6,534,715	\$3,462,223	\$151,317	\$30,000

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)

for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$17,894,427
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$17,894,427
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$593,518	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$14,829
Expended capital allocations - current year	(\$593,518)	\$593,518
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,373,021
Balance at August 31, 2007	\$0	\$17,129,753

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements For the Year Ended August 31, 2007

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. This jurisdiction is exempt from payment of income tax and is a registered charity under the Income Tax Act.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and include the following significant policies:

Revenue Recognition

The school jurisdiction follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles	20%
Equipment and furnishings	20% and 33½%
Leasehold improvements	20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements

For the Year Ended August 31, 2007

2. ACCOUNTING POLICIES (Continued)

School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

External Service Programs

Revenue and expenses for the Regional Assessment Student Health Initiative Plan and specific areas of the Official Languages in Education activities are recorded as External Service Programs.

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions from active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the school jurisdiction does not make pension contributions for certificated staff.

The school jurisdiction participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$14,746 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

The school jurisdiction maintains a defined contribution plan under which amounts are contributed to employees' RRSP accounts. Expense for this plan is equal to the school jurisdiction's required contribution for the year.

The school jurisdiction also has a retirement benefit obligation. This obligation is unfunded and requires no contributions from employees. Expense for this obligation is recorded using the projected benefit method prorated on services. A transitional accrued benefit obligation is accounted for prospectively and amortized using the straight-line method over 6 years.

Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements For the Year Ended August 31, 2007

2. ACCOUNTING POLICIES (Continued)

Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the school jurisdiction to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

3. ACCOUNTS RECEIVABLE

	2007	2006
Federal government	\$ 584,965	\$ 614,028
Alberta Education	311,397	1,043,026
Other school jurisdictions	34,234	19,670
Other	12,234	23,752
Alberta Finance	<u>1,941</u>	<u>(2,620)</u>
	<u>\$ 944,771</u>	<u>\$1,697,856</u>

4. BANK INDEBTEDNESS

The school jurisdiction has negotiated a line of credit in the amount of \$100,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the school jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007.

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements For the Year Ended August 31, 2007

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
Other	\$ 954,011	\$1,238,981
Other school jurisdictions	<u>77,253</u>	<u>50,228</u>
	<u>\$1,031,264</u>	<u>\$1,289,209</u>

6. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Renewal	\$874,978	\$276,012
Regional Education Consulting Services	<u>22,000</u>	<u>69,177</u>
Total	<u>\$896,978</u>	<u>\$345,189</u>

7. TRUST ASSETS AND LIABILITIES

	2007	2006
Student Health Initiative Trust (SHI Banker Board)	\$ 85,656	\$ -
Other	<u>13,972</u>	<u>47,726</u>
	<u>\$ 99,628</u>	<u>\$ 47,726</u>

8. EMPLOYEE FUTURE BENEFITS

Changes to the employee future benefits obligation relating to the retirement benefit plan consist of the following:

	2007	2006
Opening balance	<u>\$131,000</u>	<u>\$ 94,000</u>
Current expense for the period:		
Current service costs	28,000	26,000
Amortization of transitional obligation	<u>11,000</u>	<u>11,000</u>
	<u>39,000</u>	<u>37,000</u>
Closing balance	<u>\$170,000</u>	<u>\$131,000</u>

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements For the Year Ended August 31, 2007

8. EMPLOYEE FUTURE BENEFITS (Continued)

At the beginning of 2003, the school jurisdiction became obligated under current contracts for employee future benefits at retirement. Management prepared a valuation for accounting purposes using the projected benefit method prorated on services. Based upon this valuation, it was determined that the school jurisdiction had an accrued benefit obligation at September 1, 2002 of \$66,000. The average remaining service period of employees at that time was 6 years. The school jurisdiction has decided to amortize this transitional obligation using a straight-line method over 6 years.

Changes to the transitional obligation consist of the following:

	2007	2006
Opening balance	\$ 22,000	\$ 33,000
Less current amortization	<u>11,000</u>	<u>11,000</u>
Closing balance	<u>\$ 11,000</u>	<u>\$ 22,000</u>

Included in expenses are the following:

	2007	2006
Registered retirement savings plan	\$113,163	\$102,576
Retirement benefit obligation	39,000	37,000
Local Authorities Pension Plan	<u>14,746</u>	<u>12,894</u>
	<u>\$166,909</u>	<u>\$152,470</u>

9. LONG-TERM DEBT

The school jurisdiction has the following debentures outstanding for the financing of construction of school buildings having a carrying value of \$3,865,360:

	2007	2006
Alberta Capital Finance Authority:		
11.625% due April 15, 2010	\$ 44,159	\$ 58,878
11.125% due October 15, 2008	<u>219</u>	<u>328</u>
	44,378	59,206
Due within one year	<u>14,829</u>	<u>14,829</u>
	<u>\$ 29,549</u>	<u>\$ 44,377</u>

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements For the Year Ended August 31, 2007

9. LONG-TERM DEBT (Continued)

Principal repayments required in the next three fiscal years are as follows:

2008	\$ 14,829
2009	14,829
2010	14,720

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. RESTRICTIONS ON NET ASSETS

The Board of Trustees have internally restricted unrestricted net assets for internal activities which are expected to be carried on by the Education Region itself. These internally restricted amounts are not available for other purposes without the approval of the Board of Trustees.

12. COMMITMENTS

Operating Leases

The school jurisdiction is committed until December 31, 2009 under operating leases for premises to annual rent plus occupancy expenses as defined in the leases and annual vehicle operating leases as follows:

	Premises	Vehicles
2008	\$102,605	\$ 23,152
2009	112,224	7,324
2010	38,477	-

Building Projects

The school jurisdiction is committed to further capital expenditures of \$387,054 for additions and renovations to existing facilities. It is anticipated that \$162,054 of these expenditures will be funded by capital allocations from Alberta Education. The remaining \$225,000 is expected to be funded from internal resources.

THE GREATER NORTH CENTRAL FRANCOPHONE EDUCATION REGION NO. 2

Notes to the Financial Statements

For the Year Ended August 31, 2007

13. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The related party transactions are recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amounts of consideration agreed upon between the related parties as follows:

	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta				
Education	\$ 307,597	\$ 874,978	\$25,441,283	\$ -
Shared	85,656	85,656	-	-
Human Resources	3,800	-	-	-
Finance	1,941	46,319	6,202	6,202
Other				
Other school jurisdictions	34,234	77,253	188,739	356,356
Health authorities	<u>1,205</u>	<u>-</u>	<u>18,841</u>	<u>3,256</u>
Total 2006 - 2007	<u>\$ 434,433</u>	<u>\$1,084,206</u>	<u>\$25,655,065</u>	<u>\$365,814</u>
Total 2005 - 2006	<u>\$1,059,256</u>	<u>\$ 454,623</u>	<u>\$22,637,117</u>	<u>\$472,342</u>

14. ECONOMIC DEPENDENCE

The school jurisdiction's primary source of income is from the Alberta Government. It's ability to continue viable operations is dependent on this funding.

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction. It is presented for information purposes only.

16. FINANCIAL INSTRUMENTS

The school jurisdiction's financial instruments comprise of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the school jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values. The school jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

**THE GREATER NORTH CENTRAL
FRANCOPHONE EDUCATION REGION NO. 2**

**Notes to the Financial Statements
For the Year Ended August 31, 2007**

17. REMUNERATION AND MONETARY INCENTIVES

See Attached.

**THE GREATER NORTH CENTRAL
FRANCOPHONE EDUCATION REGION NO. 2**

**Notes to the Financial Statements
For the Year Ended August 31, 2007**

17. REMUNERATION AND MONETARY INCENTIVES

The school jurisdiction has paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name: Claude Durel	1.0	\$7,230	\$128	\$0			\$7,358	\$9,884
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Other Board Members:								
Name: Josée Desjardis	1.0	\$6,420	\$125	\$0			\$6,545	\$2,748
Name: Laurent Bastien	1.0	\$5,625	\$108	\$0			\$5,734	\$2,422
Name: Martin Blanchet	1.0	\$6,575	\$117	\$0			\$6,692	\$6,692
Name: Paul Dumont	1.0	\$6,770	\$123	\$0			\$6,893	\$2,555
Name: Fred Kresser	1.0	\$4,280	\$88	\$0			\$4,378	\$2,665
Name: Denis Vincent	1.0	\$3,435	\$60	\$0			\$3,495	\$115
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Name:	0.0	\$0	\$0	\$0			\$0	\$0
Subtotal:	7.0	\$41,345	\$823	\$0			\$42,168	\$27,145
Superintendent: Henri Laroche	1.0	\$144,682	\$32,930	\$0	\$0	\$0	\$177,612	\$39,703
Superintendent: Robert Harteis	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer: Robert Harteis	1.0	\$114,785	\$39,331	\$0	\$0	\$0	\$154,116	\$23,134
Secretary/Treasurer:	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary:	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary:	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer:	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer:	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Salaries:	158.6	\$11,413,872	\$1,301,497	\$0	\$0	\$0	\$12,715,369	
Uncertificated Salaries & Wages:	83.5	\$3,259,613	\$599,824	\$0	\$0	\$0	\$3,859,437	
TOTALS		\$14,974,297	\$1,874,408	\$0	\$0	\$0	\$16,848,703	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

The Greater North Central Francophone Education Region No. 2

Legal Name of School Jurisdiction

301, 8627 - 91 Street, Edmonton, Alberta, T6C 3N1

Mailing Address

Telephone: (780) 468-6440 and Fax: (780) 440-1631

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Robert Nantel

Name

"ORIGINAL SIGNED"

Signature

13-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 437-7782 FAX: (780) 432-8886

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 8040

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$25,441,283	\$17,083,651	\$2,656,633	\$3,635,528	\$1,166,783	\$896,688
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$6,202		\$6,202			\$0
(4) Other - Government of Alberta	(\$2,687)	\$0	(\$2,687)	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$1,292,649	\$1,144,180	\$0	\$0	\$0	\$148,469
(6) Other Alberta school authorities	\$188,736	\$6,777	\$0	\$0	\$0	\$181,962
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$3,183	\$0	\$3,183	\$0	\$0	\$0
(9) Instruction resource fees	\$175,736	\$175,736				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$49,291	\$27,377	\$0	\$0	\$16,384	\$5,530
(12) Investment income	\$135,883	\$82,025	\$14,143	\$14,062	\$25,653	\$0
(13) Gifts and donations	\$1,779	\$1,779	\$0	\$0		\$0
(14) Rentals of facilities	\$37,548	\$0	\$37,098	\$0	\$0	\$450
(15) Net school generated funds	\$581,104	\$581,104			\$0	
(16) Gains on disposal of capital assets	\$0		\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,373,021	\$0	\$1,373,021	\$0		\$0
(18) TOTAL REVENUES	\$29,283,731	\$19,102,629	\$4,089,593	\$3,649,590	\$1,208,820	\$1,233,099
EXPENSES						
(19) Certificated salaries	\$11,558,554	\$11,059,085			\$201,196	\$298,273
(20) Certificated benefits	\$1,334,427	\$1,269,435			\$34,580	\$30,412
(21) Non-certificated salaries and wages	\$3,415,743	\$2,092,451	\$710,547	\$114,335	\$417,117	\$81,293
(22) Non-certificated benefits	\$639,978	\$396,762	\$111,359	\$18,256	\$96,664	\$16,937
(23) SUB - TOTAL	\$16,948,702	\$14,817,733	\$821,906	\$132,591	\$749,557	\$426,915
(24) Services, contracts & supplies	\$9,146,128	\$2,750,977	\$1,748,599	\$3,353,108	\$487,536	\$905,908
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	(\$40,353)	\$40,353
(26) Net school generated funds	\$581,104	\$581,104				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,373,021	\$0	\$1,373,021	\$0		\$0
(28) Unsupported	\$161,921	\$70,090	\$79,853	\$0	\$11,978	\$0
(29) Total Amortization	\$1,534,942	\$70,090	\$1,452,874	\$0	\$11,978	\$0
Interest on capital debt						
(30) Supported	\$6,202	\$0	\$6,202	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$537	\$183	\$224	\$0	\$102	\$28
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$28,217,815	\$16,220,087	\$4,029,805	\$3,485,699	\$1,208,820	\$1,273,204
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,066,116	\$882,542	\$59,788	\$163,891	\$0	(\$40,105)

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$11,767,514
Additional Funding for Differential Cost Factors	\$11,839,815
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$597,394
Student Health Initiative (SHI)	\$253,491
Alberta Initiative for School Improvement (AISi)	\$232,000
SuperNet Services	\$77,419
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$722,344
Learning Resources Credit Allocation	\$18,939
Infrastructure Maintenance Renewal (IMR)	\$82,568
Other Funding from Alberta Education (dear/fee) COLA \$50,000	\$50,000
Total Alberta Education Revenues	\$25,441,283

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$1,329,764	\$570,878	\$891,148		\$0	\$40,312	\$2,832,100
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$130,341	\$571,093	\$32,351		\$0		\$733,785
ECS Program Unit (PUF)	\$9,174	\$199,853	\$28,140		\$0		\$209,167
Severe Disabilities (Gr 1-12)	\$51,778	\$688,598	\$20,163				\$760,507
English as a Second Language (ESL)	\$224,742	\$2,733	\$1,337		\$0		\$228,812
French Language & Francisation	\$174,918	\$21,753	\$30,297		\$0		\$226,968
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$136,808	\$10,741	\$67,812	\$16,538	\$0		\$232,000
Student Health Initiative	\$0	\$74,053	\$6,454		\$0		\$80,507
SuperNet Service			\$77,419		\$0		\$77,419
Class Size Initiative	\$597,394	\$0	\$0	\$0	\$0		\$597,394
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$9,673,805	\$379,543	\$1,338,108	\$243,108	\$0	\$611,065	\$12,245,430
TOTAL EXPENSES	\$12,328,520	\$2,489,213	\$2,491,328	\$259,648	\$0	\$651,377	\$18,220,087

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.8
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES		\$28,217,818
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.96%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%)		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$1,682,899
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,386	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment:	2,072	
	\$393,920	\$1,682,899
2006-2007 MAXIMUM EXPENSE LIMIT		\$1,682,899
Less 2006/2007 Board and System Administration expenses		-\$1,208,820
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$474,079

Formula: (6000-2072) X .0005 + 4% = 5.964 %

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$251,652
Sources of School Generated Funds:	
Fundraising activities	\$664,300
Student fees (Non-Instructional) (Note 1)	\$0
Donations and grants to schools	\$29,470
Other (describe):	\$0
Net Additions to SGF	\$693,770
Net SGF Available	\$945,422
Uses of Net School Generated Funds:	
Extra-curricular activities	\$522,994
School site beautification	\$0
Field Trips	\$58,110
Equipment	\$0
Family literacy and other community resources	\$0
Other (describe):	\$0
Total Uses of Net SGF (Note 2)	\$581,104
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$226,768

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

Notes:

- 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.
- 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.
- 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater Southern Public Francophone Education Region No. 4

Legal Name of School Jurisdiction

2nd Floor, 360 - 94 Ave SE, Calgary AB T2J 0E8

Mailing Address

tel: 403-686-6998 fax: 403-686-2914

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Greater Southern Public Francophone Education Region No. 4 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Anne-Marie Boucher

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Dr. Richard Slevinsky

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Yvan Beaubien

Name

"ORIGINAL SIGNED"

Signature

11-Dec-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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Maurice R. Joly, CA, CFP
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AUDITORS' REPORT

TO THE BOARD OF TRUSTEES

Greater Southern Public Francophone Education Region No. 4

We have audited the statement of financial position of the Greater Southern Public Francophone Education Region No. 4 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

ST. PAUL, ALBERTA
November 28, 2007

Joly McCarthy & Dion
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$2,797,518	\$1,354,580
Accounts receivable (net after allowances)	\$884,454	\$776,722
Prepaid expenses	\$0	\$16,469
Other current assets	\$0	\$0
Total current assets	\$3,681,972	\$2,147,771
School generated assets	\$24,900	\$31,264
Trust assets	\$892,771	\$1,335,737
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$148,786	\$148,786
Buildings	\$10,691,311	
Less: accumulated amortization	(\$674,714)	\$10,016,597
Equipment	\$681,490	
Less: accumulated amortization	(\$232,420)	\$449,070
Vehicles	\$54,966	
Less: accumulated amortization	(\$14,806)	\$40,160
Total capital assets	\$10,654,613	\$7,586,774
TOTAL ASSETS	\$15,254,256	\$11,101,546
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$404,335	\$250,084
Deferred revenue	\$715,879	\$231,880
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$0	\$0
Total current liabilities	\$1,120,214	\$481,964
School generated liabilities	\$24,900	\$31,264
Trust liabilities	\$892,771	\$1,335,737
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion of supported debt	\$0	\$0
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$10,266,377	\$7,249,307
Total long term liabilities	\$11,184,048	\$8,616,308
TOTAL LIABILITIES	\$12,304,262	\$9,098,272
NET ASSETS		
Unrestricted net assets	\$732,479	\$570,752
Operating Reserves	\$1,829,279	\$1,095,055
Accumulated Operating Surplus (Deficit)	\$2,561,758	\$1,665,807
Investment in capital assets	\$388,236	\$337,467
Capital Reserves	\$0	\$0
Total Capital Funds	\$388,236	\$337,467
Total net assets	\$2,949,994	\$2,003,274
TOTAL LIABILITIES AND NET ASSETS	\$15,254,256	\$11,101,546

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$11,871,792	\$10,849,558	\$9,282,603
Federal Government and/or First Nations	\$546,123	\$636,274	\$542,111
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$71,609	\$76,561	\$49,094
Transportation fees	\$0	\$0	\$0
Other sales and services	\$729,305	\$0	\$594,857
Investment income	\$138,311	\$0	\$41,206
Gifts and donations	\$0	\$0	\$47,570
Rentals of facilities	\$19,529	\$0	\$1,975
Net school generated funds	\$105,164	\$40,000	\$43,515
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$247,357	\$243,150	\$243,150
Total Revenues	\$13,729,190	\$11,845,543	\$10,846,081
EXPENSES			
Certificated salaries	\$4,990,333	\$4,884,936	\$3,779,520
Certificated benefits	\$603,317	\$642,023	\$442,573
Non-certificated salaries and wages	\$1,117,227	\$1,163,582	\$827,727
Non-certificated benefits	\$246,447	\$256,936	\$171,740
Services, contracts and supplies	\$5,447,298	\$4,594,250	\$4,277,077
Net school generated funds	\$105,164	\$40,000	\$43,515
Capital and debt services			
Amortization of capital assets			
Supported	\$247,357	\$243,150	\$243,150
Unsupported	\$24,273	\$19,787	\$19,787
Total Amortization of capital assets	\$271,630	\$262,937	\$262,937
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$1,054	\$879	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$12,782,470	\$11,845,543	\$9,805,089
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$946,720	\$0	\$1,040,992
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$946,720	\$0	\$1,040,992

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$946,720	\$1,040,992
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$247,357)	(\$243,150)
Total amortization expense	\$271,630	\$262,937
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$107,732)	\$186,376
Prepays and other current assets	\$16,489	\$79,080
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$154,251	(\$123,516)
Deferred revenue	\$483,999	(\$683,926)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$1,517,980	\$518,803
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$3,227,558)	(\$890,700)
Equipment	(\$111,911)	(\$42,067)
Vehicles	\$0	(\$35,902)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$3,339,469)	(\$968,669)
C. FINANCING ACTIVITIES		
Capital allocations	\$3,264,427	\$932,766
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$3,264,427	\$932,766
Net sources (uses) of cash during year	\$1,442,938	\$482,900
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$1,354,580	\$871,680
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$2,797,518	\$1,354,580

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$2,003,274	\$337,467	\$570,752	\$1,095,055	\$0
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$2,003,274	\$337,467	\$570,752	\$1,095,055	\$0
Excess(def) of revenue over expenses	\$946,720		\$946,720		
Board funded capital transactions		\$75,042	(\$75,042)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$271,630)	\$271,630		
Amortization of capital allocations		\$247,357	(\$247,357)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$734,224)	\$734,224	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$2,949,994	\$368,236	\$732,479	\$1,829,279	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$7,249,307
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$7,249,307
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$3,264,427	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year	(\$3,264,427)	\$3,264,427
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$247,357
Balance at August 31, 2007	\$0	\$10,266,377

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

The jurisdiction is exempt from tax under the Income Tax Act.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the contributions.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% - 4%
Equipment	10% - 20%
Vehicles	20%

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

2. Summary of Significant Accounting Policies (continued)

b) Capital Assets (continued)

Only capital assets with costs in excess of \$5,000 are capitalized. The amortization of the asset will commence in the fiscal year following the year of acquisition. Any capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid expenses

Certain expenditures incurred before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

These consist of cash, accounts receivable, accounts payable, and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

2. Summary of Significant Accounting Policies (continued)

i) Pensions (continued)

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Greater Southern Public Francophone Education Region No. 4 does not make pension contributions for certified staff.

The school board participates in the multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$78,468 for the year ended August 31, 2007 (\$49,149 – 2006). At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

3. Accounts Receivable

	<u>2007</u>	<u>2006</u>
Alberta Education	\$ 400,088	\$ 321,191
Alberta Finance	5,914	--
Federal Government	262,021	291,772
Other Alberta School Jurisdictions	81,477	78,029
Other	<u>134,954</u>	<u>85,730</u>
	\$ <u>884,454</u>	\$ <u>776,722</u>

4. Accounts Payable and Accrued Liabilities

	<u>2007</u>	<u>2006</u>
Other Alberta School Jurisdictions	\$ 150,954	\$ 17,286
Other	<u>253,381</u>	<u>232,798</u>
	\$ <u>404,335</u>	\$ <u>250,084</u>

5. Deferred Revenue

	<u>2007</u>	<u>2006</u>
Infrastructure Maintenance Renewal (from Education)	\$ 293,771	\$ 40,914
Infrastructure Maintenance Program (from AI & T)	113,903	113,903
Technology Integration funding	--	52,525
School start-up funding (from Education)	72,183	24,538
School lease (from Education) 230,022		--
FNCSF seminar funding	<u>6,000</u>	<u>--</u>
	\$ <u>715,879</u>	\$ <u>231,880</u>

6. Trust Assets and Liabilities

	<u>2007</u>	<u>2006</u>
Calgary Regional consortium (Banker Board)	\$ 759,470	\$ 1,335,737
CPFPP consortium (Banker Board)	<u>133,301</u>	<u>--</u>
	\$ <u>892,771</u>	\$ <u>1,335,737</u>

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

7. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	August 31 <u>2006</u>	<u>Appropriated</u>	<u>Used</u>	August 31 <u>2007</u>
Operating Reserves				
Transportation	\$ --	\$ 61,095	\$ --	\$ 61,095
Board and system admin.	32,209	101,388	--	133,597
School	329,687	391,501	--	721,188
Operation and maintenance	<u>733,159</u>	<u>180,240</u>	<u>--</u>	<u>913,399</u>
	<u>\$ 1,095,055</u>	<u>\$ 734,224</u>	<u>\$ --</u>	<u>\$ 1,829,279</u>

8. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

9. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

11. Commitments

(a) Leases

The school jurisdiction currently leases various equipment and buildings. The future minimum payments under these operating leases are as follows:

	<u>Equipment</u>	<u>Building</u>	<u>Total</u>
2008	\$ 37,403	\$ 313,665	\$ 351,068
2009	37,363	313,665	351,028
2010	24,603	313,665	338,268
2011	3,676	313,665	317,341
2012	<u>--</u>	<u>261,387</u>	<u>261,387</u>
	<u>\$ 103,045</u>	<u>\$ 1,516,047</u>	<u>\$ 1,619,092</u>

The building lease is fully-supported by Alberta Education.

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

11. Commitments (continued)

(b) Building projects

The school jurisdiction is committed to further capital expenditures for the construction of two mini-schools of approximately \$42,292. It is anticipated that these costs will be fully funded by capital allocations from Alberta Education.

(c) Letter of credit

The school jurisdiction has an outstanding letter of credit in the amount of \$100,000 secured by a general security agreement. The beneficiary of the letter of credit is the Bargaining Authority. No amount is currently outstanding and the letter of credit is due for renewal on October 31, 2008.

12. Contingencies

(a) The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of the equity is subject to liability claims.

(b) The jurisdiction has been named defendant in a grievance filed by the ATA on behalf of the jurisdiction's teachers. The grievance is scheduled to be heard by an Arbitration Board. As the likelihood of the outcome and potential damages, if any, ensuing from this grievance are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this grievance.

13. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Greater Southern Public Francophone Education Region No. 4 had related party transactions for the year ended August 31, 2007 with the following entities recorded on the statement of Revenues and Expenses and Statement of Financial Position, at the amount of consideration agreed upon between the related parties.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenue	Expenses
2006-2007				
Government of Alberta:				
Education	\$ 400,088	\$ --	\$ 11,871,792	\$ --
Finance	5,914	--	--	--
Other Gov't of Alberta Departments	--	--	--	52,081
Other:				
Other Alberta school jurisdictions	<u>81,477</u>	<u>150,954</u>	<u>73,924</u>	<u>359,508</u>
Total 2006-2007	<u>\$ 487,479</u>	<u>\$ 150,954</u>	<u>\$ 11,945,716</u>	<u>\$ 411,589</u>

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

14. Economic Dependence on Related Third Party

The school jurisdiction's primary source of income is from the Alberta Government. The jurisdiction's ability to continue viable operations is dependent on this funding.

15. Comparative Figures

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

16. Remuneration and Monetary Incentives

The Greater Southern Public Francophone Education Region No. 4 has paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

	<u>FTE</u>	<u>Remuneration</u>	<u>Benefits</u>	<u>Total</u>	<u>Expenses</u>
Board Members					
Chairperson					
Anne-Marie Boucher	1.00	\$ 16,630	\$ 376	\$ 17,006	\$ 4,542
Other Board Members					
Nicole Buret	1.00	11,025	191	11,216	1,198
Lise Piché-Moor	1.00	8,015	91	8,106	2,174
Alain Ethier	1.00	8,495	107	8,602	2,258
Bonnie Lamoureux-McLean	1.00	<u>7,645</u>	<u>79</u>	<u>7,724</u>	<u>1,275</u>
		<u>51,810</u>	<u>844</u>	<u>52,654</u>	<u>11,447</u>
Superintendent					
Dr. Richard Slevinsky	1.00	138,000	10,990	148,990	22,616
Secretary/Treasurer					
Yvon Beaubien	1.00	108,000	25,732	133,732	8,822
Certificated Teachers	70.58	4,852,333	592,327	5,444,660	
Non-certificated - other	38.10	<u>957,417</u>	<u>219,871</u>	<u>1,177,288</u>	
Total		<u>\$ 6,107,560</u>	<u>\$ 849,764</u>	<u>\$ 6,957,324</u>	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Greater Southern Public Francophone Education Region No. 4

Legal Name of School Jurisdiction

2nd Floor, 360 - 94 Ave SE, Calgary AB T2J 0E8

Mailing Address

tel: 403-686-6998 fax: 403

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Yvan Beaubien

Name

"ORIGINAL SIGNED"

Signature

11-Dec-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T6J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
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SCHEDULE A

School Jurisdiction Code

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ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$11,871,792	\$7,536,837	\$1,314,738	\$1,351,912	\$661,117	\$1,007,188
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$0		\$0			\$0
(4) Other - Government of Alberta	\$0		\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$546,123	\$546,123	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$71,609	\$71,609				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$729,305	\$0	\$13,495	\$0	\$18,155	\$697,655
(12) Investment income	\$138,311	\$100,704	\$0	\$0	\$0	\$37,607
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$19,529	\$0	\$19,529	\$0	\$0	\$0
(15) Net school generated funds	\$105,164	\$105,164			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$247,357	\$74,696	\$172,661	\$0		\$0
(18) TOTAL REVENUES	\$13,729,190	\$8,435,133	\$1,520,423	\$1,351,912	\$679,272	\$1,742,450
EXPENSES						
(19) Certificated salaries	\$4,990,333	\$4,773,888			\$138,000	\$78,445
(20) Certificated benefits	\$603,317	\$582,629			\$10,990	\$9,698
(21) Non-certificated salaries and wages	\$1,117,227	\$752,022	\$81,536	\$67,560	\$204,691	\$11,418
(22) Non-certificated benefits	\$246,447	\$162,744	\$22,177	\$18,451	\$42,032	\$1,043
(23) SUB - TOTAL	\$6,957,324	\$6,271,283	\$103,713	\$86,011	\$395,713	\$100,604
(24) Services, contracts & supplies	\$5,447,298	\$1,369,304	\$1,060,097	\$1,204,806	\$171,245	\$1,641,846
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$105,164	\$105,164				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$247,357	\$74,696	\$172,661	\$0	\$0	\$0
(28) Unsupported	\$24,273	\$10,689	\$3,712	\$0	\$9,872	\$0
(29) Total Amortization	\$271,630	\$85,385	\$176,373	\$0	\$9,872	\$0
Interest on capital debt						
(30) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$1,054	\$0	\$0	\$0	\$1,054	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$12,782,470	\$7,831,136	\$1,340,183	\$1,290,817	\$577,884	\$1,742,450
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$946,720	\$603,997	\$180,240	\$61,095	\$101,388	\$0

SCHEDULE B ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$4,268,388
Additional Funding for Differential Cost Factors	\$5,965,182
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$95,697
Student Health Initiative (SHI)	\$25,529
Alberta Initiative for School Improvement (AISi)	\$77,696
SuperNet Services	\$18,126
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$1,007,188
Learning Resources Credit Allocation	\$0,239
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe) Start-up \$355,264, Technology \$52,525	\$407,789
Total Alberta Education Revenues	\$11,871,792

SCHEDULE C ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$478,593	\$378,470	\$190,988		\$0	\$0	\$1,044,051
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$0	\$48,678	\$0		\$0		\$48,678
ECS Program Unit (PUF)	\$0	\$81,442	\$13,347		\$0		\$74,789
Severe Disabilities (Gr 1-12)	\$71,729	\$57,412	\$4,783		\$0		\$133,924
English as a Second Language (ESL)	\$130,019	\$33,868	\$270		\$0		\$164,157
French Language & Francisation	\$31,505	\$177,184	\$1,997		\$0		\$210,686
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$183,180	\$0	\$95,099	\$0	\$0		\$278,279
Student Health Initiative	\$0	\$0	\$28,826		\$0		\$28,826
SuperNet Service			\$18,126		\$0		\$18,126
Class Size Initiative	\$95,697	\$0	\$0	\$0	\$0		\$95,697
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$4,387,784	\$181,714	\$846,874	\$170,894	\$0	\$190,549	\$5,737,825
TOTAL EXPENSES	\$5,358,517	\$914,766	\$1,198,410	\$170,894	\$0	\$190,549	\$7,831,136

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	2.0
ECS Program Unit (PUF)	0.0	2.8
Severe Disabilities (Gr 1-12)	1.0	2.5

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$12,782,470
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$766,948
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrolment	875
	\$424,483
2006-2007 MAXIMUM EXPENSE LIMIT	\$766,948
Less: 2006/2007 Board and System Administration expense	-\$577,894
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$189,054

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$31,264
Sources of School Generated Funds:	
Fundraising activities	\$226,390
Student fees (Non-Instructional) (Note 1)	\$0
Donations and grants to schools	\$5,643
Other (describe): rent and interest	\$4,854
Net Additions to SGF	\$236,887
Net SGF Available	\$130,064
Uses of Net School Generated Funds:	
Extra-curricular activities	\$32,087
School site beautification	\$0
Field Trips	\$11,648
Equipment	\$16,524
Family literacy and other community resources	\$0
Other (describe): Early literacy supplies, fine arts, supplementary library collection	\$44,905
Total Uses of Net SGF (Note 2)	\$105,164
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$24,900
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 50(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <p>1 Excludes fees collected pursuant to Section 50(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p> <p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p> <p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>	

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater Southern Separate Catholic Francophone Education Region No. 4

Legal Name of School Jurisdiction

200- 4800 Richard Road S.W. Calgary AB T3E 6L1

Mailing Address

(403) 685-9881 phone (403) 685-9884 fax

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Greater Southern Separate Catholic Francophone Education Region No. 4 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Diane Boutin

Name

Original signed

Signature

SUPERINTENDENT

Florent Bilodeau

Name

Original signed

Signature

SECRETARY TREASURER OR TREASURER

Suzanne Bédard

Name

Original signed

Signature

November 26, 2007

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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AUDITORS' REPORT

To the Board of Trustees of:

The Greater Southern Separate Catholic Francophone Education Region No. 4

We have audited the statement of financial position of The Greater Southern Separate Catholic Francophone Education Region No. 4 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Bergeron & Co.

Certified General Accountants

October 25, 2007
Edmonton, Alberta

GHISLAIN BERGERON, B.Sc., CGA *
PIERRE BERGERON, B.A., CGA *
SIMON BELZILE, CGA *



* Professional Corporation

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STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note) Restated
ASSETS		
Current assets		
Cash and temporary investments	\$3,161,256	\$1,227,447
Accounts receivable (net after allowances)	\$1,054,178	\$326,424
Prepaid expenses	\$27,870	\$29,782
Other current assets	\$0	\$0
Total current assets	\$4,243,304	\$1,583,653
School generated assets	\$28,872	\$9,094
Trust assets	\$30,375	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$0	\$0
Buildings	\$6,290,282	
Less: accumulated amortization	(\$917,487)	\$5,372,795
Equipment	\$1,008,699	
Less: accumulated amortization	(\$534,329)	\$474,370
Vehicles	\$0	
Less: accumulated amortization	\$0	\$0
Total capital assets	\$5,847,165	\$5,372,120
TOTAL ASSETS	\$10,149,716	\$6,964,867
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$669,889	\$247,232
Deferred revenue	\$720,117	\$181,238
Deferred capital allocations	\$950,806	\$0
Current portion of all long term debt	\$0	\$0
Total current liabilities	\$2,340,812	\$428,470
School generated liabilities	\$28,872	\$9,094
Trust liabilities	\$30,375	\$0
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion of supported debt	\$0	\$0
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	
Unamortized capital allocations	\$5,383,938	\$5,043,719
Total long term liabilities	\$5,443,185	\$5,052,813
TOTAL LIABILITIES	\$7,783,797	\$5,481,283
NET ASSETS		
Unrestricted net assets	\$239,465	\$304,692
Operating Reserves	\$983,700	\$580,964
Accumulated Operating Surplus (Deficit)	\$1,223,165	\$685,656
Investment in capital assets	\$483,227	\$328,401
Capital Reserves	\$679,527	\$269,527
Total Capital Funds	\$1,142,754	\$597,928
Total net assets	\$2,365,919	\$1,483,584
TOTAL LIABILITIES AND NET ASSETS	\$10,149,716	\$6,964,867

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note) Restated
REVENUES			
Government of Alberta	\$8,346,052	\$8,187,650	\$6,972,394
Federal Government and/or First Nations	\$396,226	\$388,225	\$422,881
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$12,128	\$10,920	\$3,673
Transportation fees	\$0	\$0	\$0
Other sales and services	\$9,108	\$0	\$7,508
Investment income	\$62,770	\$53,100	\$21,486
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$7,831	\$6,000	\$9,325
Net school generated funds	\$97,641	\$100,000	\$113,194
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$208,652	\$220,535	\$210,953
Total Revenues	\$9,140,408	\$8,966,430	\$7,761,414
EXPENSES			
Certificated salaries	\$3,863,361	\$3,870,076	\$3,407,633
Certificated benefits	\$475,788	\$480,349	\$426,501
Non-certificated salaries and wages	\$712,512	\$729,103	\$485,629
Non-certificated benefits	\$138,086	\$134,818	\$96,352
Services, contracts and supplies	\$2,644,180	\$2,748,280	\$2,436,095
Net school generated funds	\$97,641	\$100,000	\$113,194
Capital and debt services			
Amortization of capital assets			
Supported	\$208,652	\$220,535	\$210,953
Unsupported	\$117,853	\$98,661	\$109,080
Total Amortization of capital assets	\$326,505	\$319,196	\$320,033
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$8,258,073	\$8,381,822	\$7,285,437
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$882,335	\$584,608	\$475,977
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$882,335	\$584,608	\$475,977

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note) Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$882,335	\$475,977
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$208,652)	(\$210,953)
Total amortization expense	\$326,505	\$320,033
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$727,754)	\$126,385
Prepays and other current assets	\$1,912	(\$95)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$422,457	(\$225,571)
Deferred revenue	\$538,879	(\$88,554)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$1,235,682	\$397,222
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	\$0
Equipment	(\$252,679)	(\$103,050)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$252,679)	(\$103,050)
C. FINANCING ACTIVITIES		
Capital allocations	\$950,806	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$950,806	\$0
Net sources (uses) of cash during year	\$1,933,809	\$294,172
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$1,227,447	\$933,275
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$3,161,256	\$1,227,447

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$1,423,584	\$272,894	\$300,199	\$580,964	\$269,527
Prior period adjustments (describe)					
reclassify video conferencing grant	\$60,000	\$0	\$60,000	\$0	\$0
Board funded capital transactions	\$0	\$55,507	(\$55,507)	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$1,483,584	\$328,401	\$304,692	\$580,964	\$269,527
Excess(def) of revenue over expenses	\$882,335		\$882,335		
Board funded capital transactions		\$252,679	(\$252,679)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$326,505)	\$326,505		
Amortization of capital allocations		\$208,652	(\$208,652)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$402,736)	\$402,736	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$410,000)		\$410,000
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$2,365,919	\$463,227	\$239,465	\$983,700	\$679,527

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$5,099,226
Prior period adjustment	\$0	(\$55,507)
Adjusted balance, August 31, 2006	\$0	\$5,043,719
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$940,310	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$10,496	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$548,871
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year	\$0	\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$208,652
Balance at August 31, 2007	\$950,806	\$5,383,938

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4

Notes to the Financial Statements
August 31, 2007

1. AUTHORITY AND PURPOSE

On July 7, 2000 by order of the Minister of Learning of Alberta, the Greater Southern Separate Catholic Francophone Education Region No. 4 was established. The school jurisdiction receives block allocations for instruction and support for the delivery of a catholic francophone educational program under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. The jurisdiction is exempt from tax under the Canada Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta School jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition:

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is applied.

Capital Assets:

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	10 to 40 years
Site development	20 years
Furniture, equipment	5 to 10 years

Only capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

School Generated Funds:

These are funds that come under the control and responsibility of a school principal for school activities. They are collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

BERGERON & CO., C.G.

THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4

Notes to the Financial Statements
August 31, 2007

Financial Instruments:

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Vacation Pay:

Vacation pay is accrued in the period in which the employee earns the benefit.

Prepaid expenses:

Certain expenditures incurred before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

Contributed Services:

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Operating and Capital Reserves:

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

Pensions:

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$38,612 for the year ended August 31, 2007 (\$26,189 in 2006). At December 31, 2006 the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

Employee future benefits

The school jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the school jurisdiction at this time.

**THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4**

Notes to the Financial Statements
August 31, 2007

3. ACCOUNTS RECEIVABLE

	2007	2006
	\$	\$
Alberta Education	757,283	51,492
Federal Government	274,104	221,226
Other	22,791	30,196
Alberta Advanced Education	<u>0</u>	<u>23,510</u>
	<u>1,054,178</u>	<u>326,424</u>

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2007	Net Book Value 2006
	\$	\$	\$	\$
Building	5,737,628	743,507	4,994,121	4,593,951
Site development	552,654	173,980	378,674	413,470
Furniture & equipment	<u>1,008,699</u>	<u>534,329</u>	<u>474,370</u>	<u>364,699</u>
	<u>7,298,981</u>	<u>1,451,816</u>	<u>5,847,165</u>	<u>5,372,120</u>

5. ACCOUNTS PAYABLE

	2007	2006
	\$	\$
Other trade payables & accrued liabilities	571,810	191,197
Other Alberta School Jurisdictions	88,889	54,995
Alberta Education	<u>8,990</u>	<u>1,040</u>
	<u>669,689</u>	<u>247,232</u>

6. DEFERRED REVENUE

	2007	2006
	\$	\$
Infrastructure maintenance renewal	310,597	137,355
Alberta Education - One-on-One Project	200,000	0
Alberta Education - NDV Feasibility Study	100,000	0
Alberta Education - NDP Setup grant	100,000	0
Alberta Education - SHIP	9,520	3,916
Alberta Education - Class Size funding	0	17,758
Alberta Education - Classroom Resources	0	15,000
Alberta Education - Infrastructure	<u>0</u>	<u>7,209</u>
	<u>720,117</u>	<u>181,238</u>

BERGERON & CO., C.G.A.

**THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4**

Notes to the Financial Statements
August 31, 2007

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

8. UNAMORTIZED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction, or qualifying assets transferred from other jurisdictions have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	Balance Aug 31/06 \$	Appropriated \$	Used \$	Balance Aug 31/07 \$
Operating Reserves:				
Board & system admin.	31,463	57,736	0	89,199
School based	364,215	200,000	0	564,215
Operations & maintenance	185,286	0	0	185,286
Transportation	<u>0</u>	<u>145,000</u>	<u>0</u>	<u>145,000</u>
	<u>580,964</u>	<u>402,736</u>	<u>0</u>	<u>983,700</u>
Capital Reserves:				
Equipment	<u>269,527</u>	<u>410,000</u>	<u>0</u>	<u>679,527</u>
Total	<u>850,491</u>	<u>812,736</u>	<u>0</u>	<u>1,663,227</u>

BERGERON & CO., C.G.A.

**THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4**

Notes to the Financial Statements
August 31, 2007

10. COMMITMENTS

Leases and service contracts:

The school jurisdiction has agreements for transportation services and electricity services which are at a fixed rate per unit factor, which are in effect until 2008 and 2010 respectively.

The school jurisdiction is committed to a year lease for its programming needs in the amount of \$20,000 and a year lease for its administrative offices in the amount of \$28,380.

Building project:

The school jurisdiction is committed to capital expenditures for the construction of the Notre-Dame des Monts School of approximately \$ 3,990,045 (20% of total school construction). This project is in partnership with Christ the Redeemer School Division. It is anticipated that these costs will be fully funded by the capital allocations by Alberta Education and Alberta Infrastructure and Transportation.

The school jurisdiction is committed to capital expenditures of \$940,310 to complete the modular projects at SMB & NDV. These costs will be fully funded by the capital allocations from Alberta Education.

11. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

12 RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	BALANCES		TRANSACTIONS	
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses</u>
2006-2007	\$	\$	\$	\$
Government of Alberta				
Education	744,489	658,080	8,304,960	57,659
Infrastructure & transp.	11,483	61,507	41,092	
Other departments	1,310	0	0	0
Minister of Finance	0	0	0	63
Other Alberta School Jurisdictions	<u>1,770</u>	<u>98,409</u>	<u>0</u>	<u>289,465</u>
Total 2006 - 2007	<u>759,052</u>	<u>817,996</u>	<u>8,346,052</u>	<u>347,187</u>
Total 2005 - 2006	<u>244,664</u>	<u>241,766</u>	<u>6,912,394</u>	<u>171,436</u>

BERGERON & CO., C.G.A.

THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION
REGION NO. 4

Notes to the Financial Statements
August 31, 2007

13 ECONOMIC DEPENDENCE ON REALTED THIRD PARTY

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14 BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

15 COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

16 PRIOR PERIOD ADJUSTMENTS

The one-time video-conferencing grant of \$60,000 was reclassified as operating revenue for 2005/06. The reclassification reduced the deferred revenues by \$4,493 and reduced the unamortized capital allocations by \$55,507.

BERGERON & CO., C.G.A.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Greater Southern Separate Catholic Francophone Education Region No. 4

Legal Name of School Jurisdiction

200-4800 Richard Road S.W. Calgary AB T3E 6L1

Mailing Address

(403) 685-9881 phone (403) 685-9884 fax

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Suzanne Bédard

Name

original signed

Signature

November, 26, 2007

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE B Alberta Education Revenues	4
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2006-2007 Board and System Administration Expenses	
SCHEDULE D Under (Over) Maximum Limit	5
SCHEDULE E School Generated Funds (SGF)	5

SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 97

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$8,304,960	\$5,798,314	\$855,597	\$1,364,673	\$486,376	\$0
(2) Alberta Infrastructure & Transportation	\$41,092	\$0	\$41,092			
(3) Alberta Finance	\$0		\$0			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0		\$0
(5) Federal Government and/or First Nations	\$396,226	\$396,226	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$12,128	\$12,128				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$9,108	\$0		\$0	\$9,108	\$0
(12) Investment income	\$62,770	\$0	\$0	\$62,770	\$0	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$7,831	\$0	\$7,831	\$0	\$0	\$0
(15) Net school generated funds	\$97,641	\$97,641			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$208,652	\$25,155	\$183,497	\$0		\$0
(18) TOTAL REVENUES	\$9,140,408	\$6,329,464	\$888,017	\$1,427,443	\$495,484	\$0
EXPENSES						
(19) Certificated salaries	\$3,863,361	\$3,766,284			\$97,077	\$0
(20) Certificated benefits	\$475,788	\$462,849			\$12,939	\$0
(21) Non-certificated salaries and wages	\$712,512	\$491,412	\$43,065	\$24,682	\$153,353	\$0
(22) Non-certificated benefits	\$138,086	\$91,874	\$11,103	\$5,552	\$29,557	\$0
(23) SUB - TOTAL	\$5,189,747	\$4,812,419	\$54,168	\$30,234	\$292,926	\$0
(24) Services, contracts & supplies	\$2,644,180	\$621,240	\$517,259	\$1,364,303	\$141,378	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$97,641	\$97,641				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$208,652	\$25,155	\$183,497	\$0	\$0	\$0
(28) Unsupported	\$117,853	\$114,409	\$0	\$0	\$3,444	\$0
(29) Total Amortization	\$326,505	\$139,564	\$183,497	\$0	\$3,444	\$0
Interest on capital debt						
(30) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$8,258,073	\$5,670,864	\$754,924	\$1,394,537	\$437,748	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$882,335	\$658,600	\$133,093	\$32,906	\$57,736	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$4,017,624
Additional Funding for Differential Cost Factors	\$3,877,186
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$237,160
Student Health Initiative (SHI)	\$28,868
Alberta Initiative for School Improvement (AISi)	\$84,544
SuperNet Services	\$12,084
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$6,793
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe) one time resources grant - one time tran	\$40,701
Total Alberta Education Revenues	\$8,304,960

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$444,023	\$289,683	\$182,788		\$0	\$0	\$896,494
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$96,217	\$60,240	\$822		\$0		\$157,279
ECS Program Unit (PUF)	\$0	\$0	\$0		\$0		\$0
Severe Disabilities (Gr 1-12)	\$17,152	\$71,323	\$1,980		\$0		\$90,455
English as a Second Language (ESL)	\$74,445	\$0	\$6,599		\$0		\$81,045
French Language & Francisation	\$37,747	\$8,234	\$101		\$0		\$46,082
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$78,718	\$4,138	\$8,122	\$8,017	\$0		\$98,993
Student Health Initiative	\$0	\$0	\$28,868		\$0		\$28,868
SuperNet Service			\$12,084		\$0		\$12,084
Class Size Initiative	\$237,386	\$32,428	\$0	\$17,121	\$0		\$267,935
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$3,262,447	\$117,240	\$285,847	\$69,971	\$0	\$237,205	\$3,992,710
TOTAL EXPENSES	\$4,229,133	\$583,286	\$506,131	\$115,109	\$0	\$237,205	\$5,670,864

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	1.4	3.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.3	3.1

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$8,258,073
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$495,484
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$495,484
Less: 2006/2007 Board and System Administration expenses	-\$437,748
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$57,736

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$9,064																								
Sources of School Generated Funds:																									
	<table border="1"> <thead> <tr> <th></th> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$49,255</td> <td align="right">\$20,206</td> <td align="right">\$29,048</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$186,293</td> <td align="right">\$120,264</td> <td align="right">\$66,030</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$62,792</td> <td align="right">\$40,889</td> <td align="right">\$21,903</td> </tr> <tr> <td>Other (describe): charity</td> <td align="right">\$1,854</td> <td align="right">\$1,415</td> <td align="right">\$439</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$300,193</td> <td align="right">\$182,774</td> <td align="right">\$117,419</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$49,255	\$20,206	\$29,048	Student fees (Non-Instructional) (Note 1)	\$186,293	\$120,264	\$66,030	Donations and grants to schools	\$62,792	\$40,889	\$21,903	Other (describe): charity	\$1,854	\$1,415	\$439	Net Additions to SGF	\$300,193	\$182,774	\$117,419
	Gross SGF	Related Expenses	Net SGF																						
Fundraising activities	\$49,255	\$20,206	\$29,048																						
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Donations and grants to schools	\$62,792	\$40,889	\$21,903																						
Other (describe): charity	\$1,854	\$1,415	\$439																						
Net Additions to SGF	\$300,193	\$182,774	\$117,419																						
Net SGF Available	\$126,513																								
Uses of Net School Generated Funds:																									
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$50,923</td> </tr> <tr> <td>School site beautification</td> <td align="right">\$0</td> </tr> <tr> <td>Field Trips</td> <td align="right">\$46,718</td> </tr> <tr> <td>Equipment</td> <td align="right">\$0</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$0</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$0</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="right">\$97,641</td> </tr> </tbody> </table>	Extra-curricular activities	\$50,923	School site beautification	\$0	Field Trips	\$46,718	Equipment	\$0	Family literacy and other community resources	\$0	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$97,641										
Extra-curricular activities	\$50,923																								
School site beautification	\$0																								
Field Trips	\$46,718																								
Equipment	\$0																								
Family literacy and other community resources	\$0																								
Other (describe):	\$0																								
Total Uses of Net SGF (Note 2)	\$97,641																								
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$28,872																								
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																									

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater St. Albert Catholic Regional Division No. 29

Legal Name of School Jurisdiction

6 St. Vital Avenue, St. Albert, AB T8N 1K2

Mailing Address

(780) 459-7711 and (780) 458-3213

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Greater St. Albert Catholic Regional Division No. 29
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN**Mr. Dave Caron**

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT**Mr. Jerry Zimmer**

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER**Mrs. Maria Stevens**

Name

"ORIGINAL SIGNED"

Signature

November 26, 2007

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0006)

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STATEMENT OF REVENUES AND EXPENSES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS INSERT	9

Auditors' Report

To the Board of Trustees of
Greater St. Albert Catholic Regional Division No. 29

We have audited the statement of financial position of the Greater St. Albert Catholic Regional Division No. 29 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2007 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

October 26, 2007

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$5,194,778	\$692,443
Accounts receivable (net after allowances)	\$1,506,861	\$1,277,737
Prepaid expenses	\$789,452	\$501,325
Other current assets	\$0	\$0
Total current assets	\$7,491,091	\$2,471,505
School generated assets	\$1,051,974	\$982,303
Trust assets	\$631,439	\$509,045
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$1,396,416	\$1,396,416
Buildings	\$62,476,731	
Less: accumulated amortization	(\$31,231,571)	\$31,245,160
Equipment	\$2,739,915	
Less: accumulated amortization	(\$2,140,680)	\$599,235
Vehicles	\$232,928	
Less: accumulated amortization	(\$173,344)	\$59,584
Total capital assets	\$33,300,395	\$33,375,184
TOTAL ASSETS	\$42,474,899	\$37,338,037
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$756,438
Accounts payable and accrued liabilities	\$3,309,524	\$1,863,120
Deferred revenue	\$1,804,339	\$833,978
Deferred capital allocations	\$1,386,024	\$47,098
Current portion of all long term debt	\$1,195,931	\$1,260,467
Total current liabilities	\$7,695,818	\$4,861,099
School generated liabilities	\$1,051,974	\$982,303
Trust liabilities	\$631,439	\$509,045
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0,998,893	\$11,183,361
Less: Current portion of supported debt	(\$1,157,931)	(\$1,184,467)
Unsupported: Debentures and Capital Loans	\$38,000	\$114,000
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$38,000)	(\$78,000)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$18,022,788	\$16,534,251
Total long term liabilities	\$28,547,163	\$28,082,493
TOTAL LIABILITIES	\$36,242,981	\$32,723,592
NET ASSETS		
Unrestricted net assets	\$478,970	(\$1,441,361)
Operating Reserves	\$0	\$0
Accumulated Operating Surplus (Deficit)	\$478,970	(\$1,441,361)
Investment in capital assets	\$5,240,714	\$5,543,572
Capital Reserves	\$512,234	\$512,234
Total Capital Funds	\$5,752,948	\$6,055,806
Total net assets	\$6,231,918	\$4,614,445
TOTAL LIABILITIES AND NET ASSETS	\$42,474,899	\$37,338,037

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note) Restated
REVENUES			
Government of Alberta	\$56,530,422	\$53,763,492	\$51,819,036
Federal Government and/or First Nations	\$309,488	\$178,552	\$373,475
Other Alberta school authorities	\$228,419	\$120,691	\$176,433
Out of province authorities	\$22,000	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$2,708	\$0	\$3,112
Instruction resource fees	\$1,109,815	\$1,046,514	\$1,200,032
Transportation fees	\$380,309	\$444,600	\$262,550
Other sales and services	\$413,646	\$310,000	\$469,032
Investment income	\$155,000	\$45,000	\$53,264
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$0	\$0	\$0
Net school generated funds	\$697,106	\$1,100,000	\$907,973
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,499,083	\$1,519,764	\$1,519,764
Total Revenues	\$61,347,996	\$58,528,713	\$56,784,671
EXPENSES			
Certificated salaries	\$29,501,640	\$27,256,306	\$28,936,790
Certificated benefits	\$3,566,366	\$3,817,342	\$3,626,826
Non-certificated salaries and wages	\$7,425,972	\$7,047,339	\$7,947,741
Non-certificated benefits	\$2,094,867	\$1,986,735	\$2,013,138
Services, contracts and supplies	\$13,454,258	\$14,255,135	\$11,129,486
Net school generated funds	\$697,106	\$1,100,000	\$907,973
Capital and debt services			
Amortization of capital assets			
Supported	\$1,499,083	\$1,519,764	\$1,519,764
Unsupported	\$482,838	\$459,657	\$535,966
Total Amortization of capital assets	\$1,981,921	\$1,979,421	\$2,055,730
Interest on capital debt			
Supported	\$986,936	\$1,052,357	\$1,104,474
Unsupported	\$7,078	\$7,078	\$12,558
Total Interest on capital debt	\$994,014	\$1,059,435	\$1,117,032
Other interest charges	\$14,379	\$27,000	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$59,730,523	\$58,528,713	\$57,734,716
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,617,473	\$0	(\$950,045)
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,617,473	\$0	(\$950,045)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,617,473	(\$950,045)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,499,083)	(\$1,519,764)
Total amortization expense	\$1,981,921	\$2,055,730
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$229,124)	\$1,221,836
Prepays and other current assets	(\$288,127)	\$740
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$1,646,404	(\$260,857)
Deferred revenue	\$870,363	\$346,861
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$4,099,827	\$894,501
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$1,803,152)	(\$366,674)
Equipment	(\$103,980)	(\$138,971)
Vehicles	\$0	(\$23,640)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$1,907,132)	(\$529,285)
C. FINANCING ACTIVITIES		
Capital allocations	\$3,142,078	\$413,772
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,260,468)	(\$1,290,932)
Add back: supported portion	\$1,184,468	\$1,208,932
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$3,066,078	\$331,772
Net sources (uses) of cash during year	\$5,258,773	\$696,988
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	(\$63,995)	(\$760,983)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$5,194,778	(\$63,995)

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$4,614,445	\$5,543,572	(\$1,441,361)	\$0	\$512,234
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$4,614,445	\$5,543,572	(\$1,441,361)	\$0	\$512,234
Excess(def) of revenue over expenses	\$1,617,473		\$1,617,473		
Board funded capital transactions		\$103,980	(\$103,980)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,981,921)	\$1,981,921		
Amortization of capital allocations		\$1,499,083	(\$1,499,083)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$76,000	(\$76,000)		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$6,231,918	\$5,240,714	\$478,970	\$0	\$512,234

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$47,098	\$16,534,251
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$47,098	\$16,534,251
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$3,086,016	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$56,062	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,184,468
Expended capital allocations - current year	(\$1,803,152)	\$1,803,152
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,499,083
Balance at August 31, 2007	\$1,386,024	\$18,022,788

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

1. AUTHORITY AND PURPOSE

The Greater St. Albert Catholic Regional Division No. 29 (the "Division") was formed effective January 1, 1995 and is empowered to provide public Catholic education to its resident students under the authority of the School Act, Chapter S-3, Revised Statutes of Alberta 2000, through bylaws and policies approved by its Board of Trustees and pursuant to the provisions of the Alberta School Act. The Division was formed when the assets and liabilities of the Legal School District No. 1738, Thibault Roman Catholic Public School District No. 35 and St. Albert School District No. 3 were transferred to the Division on January 1, 1995. The three individual boards were dissolved at midnight on December 31, 1994 and the Board of the Greater St. Albert Catholic Regional Division No. 29 was established. On September 1, 1998, the Guibault Roman Catholic Separate School District No. 552 joined the Division.

The Division receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Credit Enrolment Units ("CEUS") revenue, which is recorded in Alberta Learning revenues, is recorded in the year in which the amounts are reasonably determinable and collectible.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment Funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Revenue recognition (continued)

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations that are amortized to revenue on the same basis as the capital asset acquired by the grant.

b) Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% to 20%
Vehicles	10% to 20%

Amortization of capital assets commences in the year following acquisition. Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related assets.

c) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are collected and retained at the school level for expenditures at the school level.

d) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the Greater St. Albert Catholic Regional Division No. 29 does not make pension contributions for certificated staff.

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan. The expense for this plan is equivalent to the annual contributions of \$550,007 (2006 - \$545,079) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported a deficit of \$746,651,000 (December 31, 2005 - deficit of \$863,558,000).

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies that will be consumed subsequent to the year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g) Contributed services

Volunteers contribute a considerable number of hours per year to various schools that are within the Division to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h) Financial instruments

The Division's financial instruments consist of cash, school generated assets, accounts receivable, accounts payable and accrued liabilities, bank indebtedness and long-term debt. It is management's opinion that the Division is not exposed to significant currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

i) Capital reserves

Reserves are established at the discretion of the Board of Trustees of the Division or externally to set aside funds for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee future benefits

The Division accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the Division at this time.

k) Investments

Short-term investments are valued at the lower of cost or market. Long-term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1) Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant areas requiring the use of management's estimates include the collectible amounts of accounts receivable, the useful lives of capital assets and the corresponding rates of amortization, the amount of accrued liabilities and the fair value of financial instruments.

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Education	\$ 516,702	\$ -
Alberta Infrastructure	-	-
Alberta Finance	213,576	674,468
Federal Government	218,316	100,461
Other	558,267	502,808
	<u>\$ 1,506,861</u>	<u>\$ 1,277,737</u>

4. BANK INDEBTEDNESS

Bank indebtedness consists of payroll transfers in excess of bank balance. In the 2004/05 fiscal year, the Division had negotiated a line of credit in the amount of \$5,000,000 that bears interest at the bank prime rate. There was a nil balance outstanding on the line of credit at August 31, 2007 (2006 - \$756,438).

5. PREPAID EXPENSES

Included in prepaid expenses are payments for textbooks, general instructional supplies and custodial supplies. At August 31, 2007, these payments amounted to \$732,875 (2006 - \$442,540).

6. ACCOUNTS PAYABLE

	<u>2007</u>	<u>2006</u>
Alberta Education	\$ -	\$ 103,043
Other Province of Alberta - Capital Health	36,142	57,110
Other trade payables and accrued liabilities	3,273,382	1,502,967
	<u>\$ 3,309,524</u>	<u>\$ 1,663,120</u>

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

7. DEFERRED REVENUE

Trust assets and liabilities are accounts that the Division is not entitled to, but which they manage on behalf of others. Included in the trust accounts are the following items:

	2007	2006
Transportation	\$ 393,648	\$ 280,605
AISI	169,161	27,591
Alberta Education - IMR	577,127	294,329
Alberta Infrastructure - Portables	28,648	16,883
Other	635,755	314,568
	<u>\$ 1,804,339</u>	<u>\$ 933,976</u>

8. OTHER REVENUE FROM ALBERTA EDUCATION

	2007	2006
Secondment revenue	\$ 1,123,436	\$ 1,000,014

9. TRUST ASSETS AND LIABILITIES

Trust assets and liabilities are accounts that the Division is not entitled to, but which they manage on behalf of others. Included in the trust accounts are the following items:

	2007	2006
Student Health Initiative Program	\$ 549,063	\$ 398,752
Deferred salary leave plan	66,231	94,072
Frank Nigro	14,408	14,304
Joelle Cloutier	1,737	1,917
	<u>\$ 631,439</u>	<u>\$ 509,045</u>

10. CAPITAL ASSETS

	2007			2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,396,416	\$ -	\$ 1,396,416	\$ 1,396,416
Buildings	62,476,731	31,231,571	31,245,160	31,178,423
Equipment	2,739,915	2,140,680	599,235	716,378
Vehicles	232,928	173,344	59,584	83,967
	<u>\$ 66,845,991</u>	<u>\$ 33,545,595</u>	<u>\$ 33,300,395</u>	<u>\$ 33,375,184</u>

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29**Notes to the Financial Statements****Year ended August 31, 2007****11. LONG-TERM DEBT**

	<u>2007</u>	<u>2006</u>
Debtures outstanding at August 31, 2007, have interest rates that vary between 5.6% and 12%, the terms of the debtures range from 10 to 25 years with payments of principal and interest made annually	\$ 10,030,893	\$ 11,297,361
Less current portion	(1,195,931)	(1,266,467)
	\$ 8,834,962	\$ 10,030,894

Principal repayments required in each of the next five fiscal years are as follows:

	<u>Supported</u>	<u>Unsupported</u>	<u>Total</u>
2008	\$ 1,157,931	\$ 38,000	\$ 1,195,931
2009	1,106,817	-	1,106,817
2010	1,106,817	-	1,106,817
2011	980,617	-	980,617
2012	873,017	-	873,017
2012 to maturity	4,773,694	-	4,773,694
	\$ 9,998,893	\$ 38,000	\$ 10,036,893

12. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

13. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations relate to grants received from Alberta Infrastructure for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets. When the capital asset is complete, the applicable unamortized capital allocation amount is amortized as revenue over the same period of time that the capital asset is amortized to expense.

14. ASSET RETIREMENT OBLIGATIONS

During the year, the Division adopted Section 3110 of the CICA Handbook, "Asset Retirement Obligations". Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. There is no impact on the Division upon adoption of this section as the Division has no identifiable asset retirement obligations.

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29**Notes to the Financial Statements**

Year ended August 31, 2007

15. RESTRICTED SURPLUS

	<u>2007</u>	<u>2006</u>
Capital Reserves		
Board and system administration	\$ 512,234	\$ 512,234

Restricted capital represents funds allocated for future capital expenditures. The funds are established and expended in accordance with terms and conditions established by the Board of Trustees.

16. RELATED PARTY TRANSACTIONS

Effective 2005 - 2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Division had the following related party transactions for the year ended August 31, 2007.

	<u>Balances</u>		<u>Transactions</u>	
	<u>Assets</u>	<u>Liabilities</u>		
	<u>(at cost or net</u>	<u>(at fair value)</u>	<u>Revenues</u>	<u>Expenses</u>
	<u>realizable value)</u>	<u>(at fair value)</u>		
Government of Alberta				
Education	\$ 730,278	\$ 517,592	\$ 56,530,425	\$ 1,123,436
Other				
Other Government	-	-	-	-
Capital Health	-	36,142	-	246,950
Other Alberta				
jurisdictions	202,803	-	228,419	317,722
Total 2006 - 2007	\$ 933,081	\$ 553,734	\$ 56,758,844	\$ 1,688,108
Total 2005 - 2006	\$ 820,901	\$ 1,103,505	\$ 52,022,470	\$ 1,398,145

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29

Notes to the Financial Statements

Year ended August 31, 2007

17. COMMITMENTS

The Division has the following minimum commitments under equipment leases and supply contracts over the next five years:

2008	\$ 568,904
2009	538,010
2010	319,984
2011	113,466
2012	5,399

In addition to the above, the Division entered into an agreement for the purchase of electricity at a flat-fixed rate of 5.41 cents per kilowatt-hour. This agreement expires December 31, 2010.

The Division is committed to a capital expenditure for the addition at St. Albert Catholic High School and Vincent J Maloney Catholic Jr. High School of \$5,456,847. The costs will be fully funded by capital allocations from Alberta Education. The capital project is to be completed in March 2008.

18. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. The payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

19. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

GREATER ST. ALBERT CATHOLIC REGIONAL DIVISION NO. 29
Notes to the Financial Statements
Year ended August 31, 2007

20. REMUNERATION AND MONETARY INCENTIVES

The Greater St. Albert Catholic Regional Division No. 29 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair Mrs. Rosaleen McEvoy	1.0	\$ 9,962	\$ 5,401	\$ -	\$ -	\$ -	\$ 11,149
Other members	0.0	-	-	-	-	-	-
Mrs. Jacque Hansen	1.0	9,338	4,230	-	-	-	14,601
Mr. Gordon Boddez	1.0	8,617	5,132	-	-	-	8,632
Mr. Dave Caron	1.0	8,617	5,167	-	-	-	8,132
Mr. Neil Fitzpatrick	1.0	8,617	5,132	-	-	-	1,491
Ms. Leah Hogg	1.0	8,617	5,181	-	-	-	6,350
Mrs. Cathy Proulx	1.0	8,617	5,185	-	-	-	7,705
Subtotal	7.0	\$ 62,385	\$ 35,388	\$ -	\$ -	\$ -	\$ 55,350
Superintendent (1)	1.0	134,349	11,848	-	-	-	10,531
Superintendent (2)	0.0	-	-	-	-	-	-
Secretary/Treasurer (1)	0.6	72,095	12,886	-	-	15,000	9,992
Secretary/Treasurer (2)	0.4	45,000	9,106	-	-	-	2,916
Board Secretary (1)	0.0	-	-	-	-	-	-
Board Secretary (2)	0.0	-	-	-	-	-	-
Board Treasurer (1)	0.0	-	-	-	-	-	-
Board Treasurer (2)	0.0	-	-	-	-	-	-
Certificated Teachers	363.7	\$29,367,291	\$3,554,518	-	-	-	-
Non-certificated - Other	192.8	\$7,246,492	\$2,037,507	-	-	-	-
TOTALS		\$ 36,927,612	\$ 5,681,233	\$ -	\$ -	\$ 15,000	\$ 78,789

21. BUDGET AMOUNTS

The budget was prepared by the Division's management and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

22. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Greater St. Albert Catholic Regional Division No. 29

Legal Name of School Jurisdiction

6 St. Vital Avenue, St. Albert, AB T8N 1K2

Mailing Address

(780) 459-7711 and (780) 458-3213

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Mrs. Maria Stevens

Name

"ORIGINAL SIGNED"

Signature

November 26, 2007

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 4077

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$55,459,874	\$44,366,524	\$6,952,982	\$2,081,660	\$2,038,742	\$19,986
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$990,606		\$990,606			\$0
(4) Other - Government of Alberta	\$79,942	\$77,991	\$1,951	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$309,488	\$309,488	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$228,419	\$228,419	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$22,000	\$22,000	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$2,708	\$0	\$2,708	\$0	\$0	\$0
(9) Instruction resource fees	\$1,109,815	\$1,109,815				
(10) Transportation fees	\$380,309			\$380,309		
(11) Other sales and services	\$413,646	\$57,341	\$0	\$0	\$40,619	\$315,686
(12) Investment income	\$155,000	\$0	\$0	\$0	\$155,000	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$697,106	\$697,106			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,499,083	\$0	\$1,499,083	\$0		\$0
(18) TOTAL REVENUES	\$61,347,996	\$46,868,684	\$9,447,310	\$2,461,969	\$2,234,361	\$335,672
EXPENSES						
(19) Certificated salaries	\$29,501,640	\$29,142,621			\$359,019	\$0
(20) Certificated benefits	\$3,566,366	\$3,531,100			\$35,266	\$0
(21) Non-certificated salaries and wages	\$7,425,972	\$6,047,308	\$564,845	\$112,174	\$701,645	\$0
(22) Non-certificated benefits	\$2,094,867	\$1,709,598	\$156,198	\$23,666	\$205,405	\$0
(23) SUB - TOTAL	\$42,588,845	\$40,430,627	\$721,043	\$135,840	\$1,301,335	\$0
(24) Services, contracts & supplies	\$13,454,258	\$4,509,317	\$5,694,635	\$2,223,296	\$691,338	\$335,672
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$697,106	\$697,106				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,499,083	\$0	\$1,499,083	\$0	\$0	\$0
(28) Unsupported	\$482,838	\$173,004	\$200,671	\$13,307	\$95,856	\$0
(29) Total Amortization	\$1,981,921	\$173,004	\$1,699,754	\$13,307	\$95,856	\$0
Interest on capital debt						
(30) Supported	\$986,936	\$0	\$986,936	\$0	\$0	\$0
(31) Unsupported	\$7,078	\$0	\$7,078	\$0	\$0	\$0
(32) Other interest charges	\$14,379	\$0	\$85	\$0	\$14,294	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$59,730,523	\$45,810,054	\$9,109,531	\$2,372,443	\$2,102,823	\$335,672
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,617,473	\$1,058,630	\$337,779	\$89,526	\$131,538	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$35,128,941
Additional Funding for Differential Cost Factors	\$7,165,598
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$3,553,737
Student Health Initiative (SHI)	\$444,150
Alberta Initiative for School Improvement (AISI)	\$731,454
SuperNet Services	\$102,714
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$71,784
Infrastructure Maintenance Renewal (IMR)	\$1,814,963
Other Funding from Alberta Education (describe) POSM, Fuel Funding, Special Projects	\$6,419,525
Total Alberta Education Revenues	\$55,459,874

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$3,190,642	\$2,201,509	\$0		\$0	\$0	\$5,392,151
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$602,908	\$1,638,878	\$158,615		\$0		\$2,700,400
ECS Program Unit (PUF)	\$351,442	\$1,187,895	\$92,135		\$0		\$1,641,272
Severe Disabilities (Gr 1-12)	\$1,059,935	\$2,003,193	\$193,862		\$0		\$3,256,990
English as a Second Language (ESL)	\$0	\$0	\$19,932		\$0		\$19,932
French Language & Francisation	\$0	\$0	\$187,905		\$0		\$187,905
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$270,299		\$0		\$270,299
Alberta Initiative for School Improvement	\$529,080	\$7,486	\$81,129	\$114,758	\$0		\$731,454
Student Health Initiative	\$0	\$63,845	\$380,505		\$0		\$444,350
SuperNet Service			\$109,832		\$0		\$109,832
Class Size Initiative	\$3,732,738	\$0	\$0	\$0	\$0		\$3,732,738
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0				\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$22,907,976	\$644,402	\$2,627,258	\$293,088		\$870,111	\$27,342,832
TOTAL EXPENSES	\$32,673,721	\$7,756,906	\$4,101,470	\$407,847	\$0	\$870,111	\$45,810,054

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	9.9	39.9
ECS Program Unit (PUF)	4.6	24.6
Severe Disabilities (Gr 1-12)	11.6	49.5

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$59,730,523
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,389,221
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1- 12 funded enrollment	6,830
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,389,221
Less: 2006/2007 Board and System Administration expenses	-\$2,102,823
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$286,398

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$962,303		
Sources of School Generated Funds:			
Fundraising activities	\$1,323,523	\$1,110,092	\$213,431
Student fees (Non-instructional) (Note 1)	\$922,405	\$521,656	\$400,749
Donations and grants to schools	\$134,538	\$3,968	\$130,570
Other (describe):	\$64,620	\$42,593	\$22,027
Net Additions to SGF	\$2,445,086	\$1,678,309	\$766,777
Net SGF Available			\$1,749,080
Uses of Net School Generated Funds:			
Extra-curricular activities			\$120,203
School site beautification			\$629
Field Trips			\$375,816
Equipment			\$143,132
Family literacy and other community resources			\$1,456
Other (describe):			\$55,670
Total Uses of Net SGF (Note 2)			\$697,106
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)			\$1,051,974
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

High Prairie School Division #48

Legal Name of School Jurisdiction

Box 870, High Prairie, Ab. T0G 1E0

Mailing Address

780-523-3337 (voice) 780-523-4639 (fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of High Prairie School Division #48
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMANMrs. Joyce Dvornek

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENTMr. Kenneth Riegel

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURERMr. Paul Burrows

Name

"ORIGINAL SIGNED"

Signature

21-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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MEYERS NORRIS PENNY LLP

Auditors' Report

To the Board of Trustees
High Prairie School Division No. 48

We have audited the statement of financial position of High Prairie School Division No. 48 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Meyers Norris Penny LLP

Peace River, Alberta
October 24, 2007

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$12,324,795	\$9,668,650
Accounts receivable (net after allowances)	\$450,650	\$1,060,453
Prepaid expenses	\$289,777	\$301,091
Other current assets	\$0	\$0
Total current assets	\$13,065,222	\$11,030,194
School generated assets	\$591,069	\$555,482
Trust assets	\$557,195	\$428,749
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$103,605	\$4,113
Buildings	\$36,647,416	
Less: accumulated amortization	(\$17,106,488)	\$20,314,457
Equipment	\$272,444	
Less: accumulated amortization	(\$45,946)	\$229,728
Vehicles	\$6,809,930	
Less: accumulated amortization	(\$4,015,212)	\$2,888,886
Total capital assets	\$22,665,750	\$23,437,164
TOTAL ASSETS	\$36,879,235	\$35,451,589
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,696,080	\$1,639,609
Deferred revenue	\$528,574	\$193,868
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$403,686	\$471,120
Total current liabilities	\$2,628,340	\$2,304,597
School generated liabilities	\$591,069	\$555,482
Trust liabilities	\$557,195	\$428,749
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$902,265	\$1,366,429
Less: Current portion of supported debt	(\$403,686)	(\$464,164)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$6,956
Less: Current portion of unsupported debt	\$0	(\$6,956)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$17,828,221	\$18,392,802
Total long term liabilities	\$19,475,063	\$20,279,298
TOTAL LIABILITIES	\$22,103,404	\$22,583,895
NET ASSETS		
Unrestricted net assets	\$0	\$0
Operating Reserves	\$6,957,987	\$5,906,771
Accumulated Operating Surplus (Deficit)	\$6,957,987	\$5,906,771
Investment in capital assets	\$3,935,262	\$3,670,976
Capital Reserves	\$3,882,583	\$3,289,947
Total Capital Funds	\$7,817,845	\$6,960,923
Total net assets	\$14,775,832	\$12,867,694
TOTAL LIABILITIES AND NET ASSETS	\$36,879,235	\$35,451,589

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$32,785,816	\$30,894,848	\$31,385,850
Federal Government and/or First Nations	\$2,439,749	\$1,733,225	\$2,168,285
Other Alberta school authorities	\$253,916	\$192,925	\$318,899
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$64	\$1,000	\$663
Instruction resource fees	\$223,253	\$183,075	\$245,885
Transportation fees	\$168,095	\$110,000	\$197,044
Other sales and services	\$576,883	\$86,000	\$358,394
Investment income	\$499,681	\$96,000	\$345,204
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$32,235	\$27,238	\$32,545
Net school generated funds	\$261,003	\$114,000	\$289,730
Gains on disposal of capital assets	\$71,629	\$0	\$43,161
Amortization of capital allocations	\$1,028,745	\$1,016,971	\$902,178
Total Revenues	\$38,341,069	\$34,455,282	\$36,287,838
EXPENSES			
Certificated salaries	\$16,244,249	\$15,629,564	\$15,970,834
Certificated benefits	\$1,763,002	\$1,931,744	\$1,875,605
Non-certificated salaries and wages	\$6,623,935	\$5,978,579	\$6,267,138
Non-certificated benefits	\$1,380,120	\$1,312,354	\$1,241,046
Services, contracts and supplies	\$8,370,033	\$7,636,458	\$7,224,831
Net school generated funds	\$261,003	\$114,000	\$289,730
Capital and debt services			
Amortization of capital assets			
Supported	\$1,028,745	\$1,016,971	\$902,178
Unsupported	\$638,200	\$598,147	\$647,500
Total Amortization of capital assets	\$1,666,945	\$1,615,118	\$1,549,678
Interest on capital debt			
Supported	\$123,466	\$157,840	\$177,868
Unsupported	\$178	\$174	\$3,126
Total Interest on capital debt	\$123,644	\$158,014	\$180,994
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$192
Total Expenses	\$36,432,931	\$34,375,831	\$34,000,048
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,908,138	\$79,451	\$1,687,790
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,908,138	\$79,451	\$1,687,790

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,908,138	\$1,687,790
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,028,745)	(\$902,178)
Total amortization expense	\$1,866,945	\$1,549,678
Gains on disposal of capital assets	(\$71,629)	(\$43,161)
Losses on disposal of capital assets	\$0	\$192
Changes in accrued accounts:		
Accounts receivable	\$609,803	\$25,793
Prepays and other current assets	\$11,314	\$21,200
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$56,471	\$301,813
Deferred revenue	\$334,706	(\$195,524)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$3,487,003	\$2,445,603
B. INVESTING ACTIVITIES		
Purchases of capital assets:		
Land	(\$99,492)	(\$4,113)
Buildings	(\$285,620)	(\$424,680)
Equipment	(\$42,717)	(\$229,728)
Vehicles	(\$503,202)	(\$586,301)
Net proceeds from disposal of capital assets	\$107,129	\$83,637
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$823,902)	(\$1,163,185)
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$173,270
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$471,120)	(\$501,628)
Add back: supported portion	\$464,164	\$464,163
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	(\$6,956)	\$135,805
Net sources (uses) of cash during year	\$2,656,145	\$1,418,223
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$9,668,650	\$8,250,427
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$12,324,795	\$9,668,650

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(In dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$12,867,694	\$3,670,976	\$0	\$5,906,771	\$3,289,947
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$12,867,694	\$3,670,976	\$0	\$5,906,771	\$3,289,947
Excess(def) of revenue over expenses	\$1,908,138		\$1,908,138		
Board funded capital transactions		\$931,030	\$0	\$0	(\$931,030)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,666,945)	\$1,666,945		
Amortization of capital allocations		\$1,028,745	(\$1,028,745)		
Disposal of unsupported capital assets	\$0	(\$35,500)	(\$71,630)		\$107,130
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$6,956	(\$6,956)		
Net transfers to operating reserves			(\$1,051,216)	\$1,051,216	
Net transfers from operating reserves			\$0		
Net transfers to capital reserves			(\$1,416,536)		\$1,416,536
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$14,775,832	\$3,935,262	\$0	\$6,957,987	\$3,882,583

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)

for the Year Ended August 31, 2007

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$18,392,802
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$18,392,802
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$464,164
Expended capital allocations - current year	\$0	\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,028,745
Balance at August 31, 2007	\$0	\$17,828,221

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Revenue is recognized as follows:

- i) Instruction and support allocations are recognized in the year to which they relate.
- ii) Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- iii) Capital allocations from the Province or other agencies are recorded as deferred capital contributions. Once spent, they are amortized to revenue on the same basis as the capital asset acquired by the grant.
- iv) Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.
- v) Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining the fair value of the services and due to the fact that such assistance is generally not purchased, contributed services are not recognized in the financial statements.

Inventories

Inventories are recorded at the lesser of cost and net realizable value.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

2. ACCOUNTING POLICIES (continued)

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school related items that will be consumed subsequent to year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%
Leasehold Improvements	5% to 10%

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the High Prairie School Division No. 48 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$184,293 (2006 - \$164,910) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

Employee future benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

2. ACCOUNTING POLICIES (continued)

Net investment in capital assets

Net investment in capital assets consists of an accumulation of amounts based on the following principles:

- i) an amount equal to the capital assets funded from capital reserves and government grants;
- ii) an amount equal to the principal repayments on long-term debt added to the equity in capital assets account in the year of repayment;
- iii) an amount equal to the net book value of capital assets disposals deleted from the equity in capital assets account in the year of disposal;
- iv) an amount equal to the depreciation on capital assets charged to the equity in capital assets account annually.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these instruments approximates their carrying value.

Statement of cash flow

The statement of cash flow has been prepared using the indirect method.

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Provincial government	\$ 67,226	\$ 680,272
Federal government	\$ 111,807	\$ 73,495
Other	\$ 271,617	\$ 306,686
	<u>\$ 450,650</u>	<u>\$1,060,453</u>

4. SUPPORTED DEBENTURES RECEIVABLE

Supported debentures receivable consist of amounts receivable from the Province of Alberta for debentures repayments for items previously expensed.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

5. CAPITAL ASSETS

	2007			2006
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Buildings	\$ 36,361,796	\$ 17,106,488	\$ 19,255,308	\$ 20,314,457
Land	\$ 103,605		\$ 103,605	\$ 4,113
Equipment	\$ 272,444	\$ 45,946	\$ 226,498	\$ 229,728
Vehicles	\$ 6,809,930	\$ 4,015,212	\$ 2,794,718	\$ 2,888,866
Leasehold Improvements	\$ 285,620	\$ -	\$ 285,620	\$ -
	<u>\$ 43,833,395</u>	<u>\$ 21,167,646</u>	<u>\$ 22,665,749</u>	<u>\$ 23,437,164</u>

6. DEFERRED REVENUE

	2007	2006
Class Size Initiative	41,912	-
Building Quality Restoration Program (BQRP)	459,350	143,451
ASI	7,312	30,417
ATA	20,000	20,000
Other	-	-
	<u>\$ 528,574</u>	<u>\$ 193,868</u>

7. LONG-TERM DEBT

	2007	2006
Debentures	\$ 902,265	\$ 1,366,429
Mortgage	-	6,956
Due within one year	<u>(403,686)</u>	<u>(471,120)</u>
	<u>\$ 498,579</u>	<u>\$ 902,265</u>

Debentures mature at various dates through November 15, 2013, bearing rates of interest from 6.875 percent to 12 percent. All debentures are supported as to principal and interest.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

7. LONG-TERM DEBT (CONTINUED)

Principal repayments required in each of the next five fiscal years are as follows:

	Principal	Interest	Total
2008	403,686	103,438	507,124
2009	246,067	56,294	302,361
2010	140,549	28,064	168,613
2011	102,241	12,250	114,491
2012	3,241	1,033	4,274
Thereafter	6,481	689	7,170
	<u>\$ 902,265</u>	<u>\$ 201,768</u>	<u>\$ 1,104,033</u>

8. COMMITMENTS

Payments under operating equipment leases in each of the next five years are as follows:

2008	\$ 97,279
2009	97,279
2010	80,119
2011	47,767
2012	-

9. RESERVES

Reserves created by authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board.

	Balance Beginning of Year	Appropriated During the Year	Utilized During the Year	Balance End of Year
Operating	<u>\$ 5,906,771</u>	<u>\$ 1,908,138</u>	<u>\$ (856,922)</u>	<u>\$ 6,957,987</u>
Capital				
Land	\$ 34,752	\$ -	\$ -	\$ 34,752
Buildings	889,964	799,633	(385,112)	1,304,485
Equipment	36,041	88,662	(42,716)	81,987
Vehicles	2,329,190	635,371	(503,202)	2,461,359
	<u>\$ 3,289,947</u>	<u>\$ 1,523,666</u>	<u>\$ (931,030)</u>	<u>\$ 3,882,583</u>
	<u>\$ 9,196,718</u>	<u>\$ 3,431,804</u>	<u>\$ (1,787,952)</u>	<u>\$ 10,840,570</u>

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

9. RESERVES (CONTINUED)

The operating reserve balance is comprised of the following:

	<u>2007</u>	<u>2006</u>
Specific school surplus (deficit)		
C. J. Schurter	\$ 332,813	\$ 232,651
Prairie River	-	27,181
Kinuso	147,997	301,519
Roland Michener	62,633	(1,228)
Lakeside	462,924	652,270
E. W. Pratt	134,714	18,004
H. P. Elementary	141,502	107,542
Joussard	244,262	153,791
Routhier	181,636	54,950
E. G. Wahlstrom	101,596	69,301
Joint fund	27,832	38,559
Prairie View Outreach	53,446	39,944
G. P. Vanier	<u>(204,528)</u>	<u>(75,820)</u>
	1,686,829	1,618,664
Administration	874,350	853,082
Technology	263,637	229,800
Maintenance	440,356	473,328
Transportation	293,866	230,368
General instruction	<u>3,398,949</u>	<u>2,501,529</u>
	<u>\$ 6,957,987</u>	<u>\$ 5,906,771</u>

10. CAPITAL RECONCILIATION

TOTAL CAPITAL ASSETS	\$ 22,665,750	
Deduct: Long term debt		
	Supported (902,265)	
	Unsupported <u>-</u>	
NET TOTAL		\$ 21,763,485
UNAMORTIZED CAPITAL ALLOCATIONS	\$ 17,828,221	
Add: Investment in Capital Assets	<u>3,935,264</u>	
NET TOTAL		\$ 21,763,485
VARIANCE		<u>\$ -</u>

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2007

11. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
2006-2007				
Government of Alberta:				
Education	-	508,573	32,602,662	-
Infrastructure	-	-	-	-
Finance	67,226	-	123,466	-
Health & Wellness	-	-	-	-
Human Resources/Employment	-	-	-	-
Other Gov't of Alberta departments	9,041	-	59,688	-
Other:				
Health authorities	-	-	-	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions	4,543	-	253,916	-
Other related parties	-	-	-	-
Total 2005-2006	80,810	508,573	33,039,732	-

12. TRUST ASSETS AND LIABILITIES

This balance represents cash that is held in trust by the jurisdiction is the banker board for SHIP. The balance at year end is \$557,195 (2005-06 \$428,749).

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the School Division's management with Board of Trustees' approval given on June 15, 2006. It is presented for information purposes only and has not been audited.

15. APPROVAL OF FINANCIAL STATEMENTS

The board of Trustees has approved these financial statements.

HIGH PRAIRIE SCHOOL DIVISION NO. 48**Notes to the Financial Statements****Year ended August 31, 2007****16. RENUMERATION AND MONETARY INCENTIVES**

The High Prairie School Division had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows.

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair							
Joyce Dvornek	1.0	\$11,592	\$4,085	\$0			\$6,141
Other members							
Neil Deas	1.0	\$4,447	\$1,215	\$0			\$341
Marilyn Willier	1.0	\$1,680	\$775	\$0			\$501
Linda Duchesneau	1.0	\$4,862	\$3,906	\$0			\$1,869
Roger Blanchette	1.0	\$3,948	\$3,845	\$0			\$1,898
Karin Scholl	1.0	\$6,132	\$3,898	\$0			\$2,846
Rick Neidig	1.0	\$2,100	\$87	\$0			\$769
Duncan Fisk	1.0	\$3,696	\$755	\$0			\$1,153
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
Subtotal	8.0	\$38,458	\$18,566	\$0			\$15,518
Superintendent							
(Kenneth Riegel)	1.0	\$134,402	\$10,421	\$0	\$0	\$0	\$19,949
Superintendent (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary							
(Raymonde Lussier)	1.0	\$95,070	\$18,474	\$0	\$0	\$0	\$7,139
Board Secretary (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer							
(Paul Burrows)	1.0	\$95,070	\$18,474	\$0	\$0	\$0	\$2,433
Board Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers	220.9	\$16,109,846	\$1,752,581	\$0	\$0	\$0	
Non-certificated - Other	221.9	\$6,395,337	\$1,324,606	\$0	\$0	\$0	
TOTALS		\$22,868,183	\$3,143,123	\$0	\$0	\$0	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

High Prairie School Division #48

Legal Name of School Jurisdiction

Box 870, High Prairie, Ab. T0G 1E0

Mailing Address

780-523-3337 (voice) 780-523-4639 (fax)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Mr. Paul Burrows

Name

"ORIGINAL SIGNED"

Signature

Nov. 21, 2007

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7752 FAX: (780) 422-6996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 1220

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$32,602,862	\$24,734,871	\$3,551,376	\$2,910,475	\$1,390,894	\$15,045
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$123,466		\$123,466			\$0
(4) Other - Government of Alberta	\$59,688	\$10,479	\$20,089	\$0	\$0	\$29,119
(5) Federal Government and/or First Nations	\$2,439,749	\$2,064,658	\$264,200	\$0	\$110,891	\$0
(6) Other Alberta school authorities	\$253,916	\$450	\$0	\$171,553	\$0	\$61,913
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$64	\$0	\$0	\$0	\$64	\$0
(9) Instruction resource fees	\$223,253	\$223,253				
(10) Transportation fees	\$168,095			\$168,095		
(11) Other sales and services	\$576,883	\$62,536	\$109,094	\$0	\$36,288	\$368,965
(12) Investment income	\$499,681	\$259,834	\$59,962	\$134,914	\$44,971	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$32,235	\$5,650	\$26,585	\$0	\$0	\$0
(15) Net school generated funds	\$261,003	\$261,003			\$0	
(16) Gains on disposal of capital assets	\$71,629	\$0	\$43,129	\$28,500	\$0	\$0
(17) Amortization of capital allocations	\$1,028,745	\$0	\$1,028,745	\$0		\$0
(18) TOTAL REVENUES	\$38,341,069	\$27,622,734	\$5,226,648	\$3,413,537	\$1,583,108	\$495,042
EXPENSES						
(19) Certificated salaries	\$16,244,249	\$15,783,905			\$460,345	\$0
(20) Certificated benefits	\$1,763,002	\$1,726,647			\$36,355	\$0
(21) Non-certificated salaries and wages	\$6,623,935	\$3,952,289	\$650,814	\$1,439,224	\$459,372	\$122,236
(22) Non-certificated benefits	\$1,380,120	\$860,650	\$154,966	\$250,163	\$95,672	\$18,668
(23) SUB - TOTAL	\$26,011,306	\$22,323,490	\$805,780	\$1,689,387	\$1,051,745	\$140,904
(24) Services, contracts & supplies	\$8,370,033	\$3,575,192	\$3,250,493	\$843,832	\$346,378	\$354,138
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$261,003	\$261,003				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,028,745	\$0	\$1,028,745	\$0	\$0	\$0
(28) Unsupported	\$638,200	\$63,660	\$51,136	\$516,820	\$6,584	\$0
(29) Total Amortization	\$1,666,945	\$63,660	\$1,079,881	\$516,820	\$6,584	\$0
Interest on capital debt						
(30) Supported	\$123,466	\$0	\$123,466	\$0	\$0	\$0
(31) Unsupported	\$178	\$0	\$0	\$0	\$178	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$36,432,931	\$26,223,345	\$5,259,620	\$3,050,039	\$1,404,884	\$495,042
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,908,138	\$1,399,388	(\$32,972)	\$363,498	\$178,224	\$0

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

School Jurisdiction Code: 1220

	TOTAL
Base Funding	\$18,448,705
Additional Funding for Differential Cost Factors	\$13,213,785
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$254,088
Student Health Initiative (SHI)	\$812,911
Alberta Initiative for School Improvement (AIS)	\$455,817
SuperNet Services	\$94,589
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$39,863
Infrastructure Maintenance Renewal (IMR)	\$993,098
Other Funding from Alberta Education (describe)	(\$0)
Total Alberta Education Revenues	\$32,002,662

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$1,583,121	\$1,080,017	\$30,977		\$0	\$0	\$2,704,115
Mild & Moderate Disabilities/Gifted & Talented (ECB-12)	\$573,981	\$760,263	\$0		\$0		\$1,334,244
ECS Program Unit (PUF)	\$34,075	\$338,621	\$170,418		\$0		\$543,115
Severe Disabilities (Gr 1-12)	\$586,582	\$1,540,298	\$197,655		\$0		\$2,324,533
English as a Second Language (ESL)	\$0	\$0	\$0	\$0			\$0
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$189,574	\$341,372	\$306,728		\$0		\$837,674
Alberta Initiative for School Improvement	\$261,599	\$12,090	\$150,800	\$31,218	\$0		\$455,817
Student Health Initiative	\$0	\$339,917	\$273,294		\$0		\$613,211
SuperNet Service			\$91,162		\$0		\$91,162
Class Size Initiative	\$254,088	\$0	\$0	\$0			\$254,088
Children and Youth with Complex Needs (ECB - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECB - Gr 12)	\$13,437,552	\$400,753	\$1,985,536	\$337,103	\$0	\$324,863	\$16,485,608
TOTAL EXPENSES	\$17,510,552	\$4,012,939	\$3,298,871	\$368,321	\$0	\$324,863	\$25,223,345

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECB - Gr 12)	10.5	29.8
ECS Program Unit (PUF)	0.5	13.8
Severe Disabilities (Gr 1-12)	6.3	60.4

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$36,432,931
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,949,162
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1- 12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,949,162
Less: 2006/2007 Board and System Administration expenses	-\$1,404,884
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$544,277

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$555,482		
Sources of School Generated Funds:			
Fundraising activities	\$728,352	\$505,420	\$222,932
Student fees (Non-instructional) (Note 1)	\$87,753	\$69,713	\$18,040
Donations and grants to schools	\$61,427	\$5,809	\$55,618
Other (describe):	\$0	\$0	\$0
Net Additions to SGF	\$877,532	\$580,942	\$296,590
Net SGF Available	\$852,072		
Uses of Net School Generated Funds:			
Extra-curricular activities		\$130,502	
School site beautification		\$0	
Field Trips		\$99,181	
Equipment		\$26,100	
Family literacy and other community resources		\$0	
Other (describe):		\$5,220	
Total Uses of Net SGF (Note 2)		\$261,003	
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$591,069	
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>			
Notes:			
1	Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.		
2	Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.		
3	Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Holy Family Catholic Regional Division No. 37

Legal Name of School Jurisdiction

10307 - 99 Street, Peace River, Alberta T8S 1R5

Mailing Address

(780) 624-3956 (780) 624-1154

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Holy Family Catholic Regional Division No. 37 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Denise Valiquette

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Elizabeth Turpin

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Helen Diaz

Name

"ORIGINAL SIGNED"

Signature

November 29, 2007

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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MEYERS NORRIS PENNY LLP

Auditors' Report

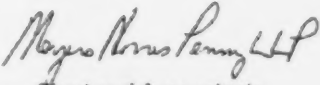
To the Board of Trustees of the
Holy Family Catholic Regional Division No. 37

We have audited the statement of financial position of the Holy Family Catholic Regional Division No. 37 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2007 and the results of its operations and changes in its cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Peace River, Alberta
November 15, 2007


Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$8,073,927	\$7,071,015
Accounts receivable (net after allowances)	\$934,985	\$1,368,440
Prepaid expenses	\$140,387	\$125,650
Other current assets	\$1,872	\$1,586
Total current assets	\$9,151,171	\$8,566,691
School generated assets	\$303,048	\$296,577
Trust assets	\$55,603	\$39,730
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$965,754	\$965,754
Buildings	\$37,261,396	
Less: accumulated amortization	(\$16,569,434)	
	\$20,691,962	\$21,413,103
Equipment	\$3,006,721	
Less: accumulated amortization	(\$2,042,553)	
	\$964,168	\$973,867
Vehicles	\$509,837	
Less: accumulated amortization	(\$176,707)	
	\$333,130	\$395,628
Total capital assets	\$22,955,014	\$23,748,352
TOTAL ASSETS	\$32,464,836	\$32,651,350
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,963,080	\$2,486,779
Deferred revenue	\$157,562	\$26,879
Deferred capital allocations	\$38,665	\$0
Current portion of all long term debt	\$648,846	\$653,758
Total current liabilities	\$2,808,153	\$3,167,416
School generated liabilities	\$303,048	\$296,577
Trust liabilities	\$55,603	\$39,730
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$3,082,284	\$3,736,042
Less: Current portion of supported debt	(\$648,846)	(\$653,758)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$17,637,951	\$17,824,278
Total long term liabilities	\$20,430,040	\$21,242,869
TOTAL LIABILITIES	\$23,238,193	\$24,410,285
NET ASSETS		
Unrestricted net assets	\$241,020	\$241,020
Operating Reserves	\$5,057,336	\$4,477,569
Accumulated Operating Surplus (Deficit)	\$5,298,356	\$4,718,589
Investment in capital assets	\$2,234,775	\$2,188,030
Capital Reserves	\$1,693,512	\$1,334,446
Total Capital Funds	\$3,928,287	\$3,522,476
Total net assets	\$9,226,643	\$8,241,065
TOTAL LIABILITIES AND NET ASSETS	\$32,464,836	\$32,651,350

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$19,869,974	\$19,342,909	\$19,179,999
Federal Government and/or First Nations	\$2,527,164	\$1,909,606	\$2,180,253
Other Alberta school authorities	\$137,670	\$77,000	\$128,498
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$39,581	\$31,985	\$47,883
Transportation fees	\$0	\$0	\$0
Other sales and services	\$94,840	\$25,150	\$79,446
Investment income	\$323,816	\$82,722	\$267,969
Gifts and donations	\$28,795	\$0	\$63,132
Rentals of facilities	\$13,826	\$5,578	\$13,474
Net school generated funds	\$407,760	\$300,000	\$505,272
Gains on disposal of capital assets	\$500	\$0	\$3,250
Amortization of capital allocations	\$1,120,562	\$916,365	\$916,365
Total Revenues	\$24,564,488	\$22,691,315	\$23,385,541
EXPENSES			
Certificated salaries	\$10,929,056	\$10,626,320	\$10,666,546
Certificated benefits	\$1,244,336	\$1,647,535	\$1,181,899
Non-certificated salaries and wages	\$3,926,301	\$3,447,858	\$3,531,248
Non-certificated benefits	\$744,410	\$724,950	\$715,660
Services, contracts and supplies	\$4,492,604	\$5,185,030	\$4,181,126
Net school generated funds	\$407,760	\$300,000	\$505,272
Capital and debt services			
Amortization of capital assets			
Supported	\$1,120,562	\$916,365	\$916,366
Unsupported	\$305,413	\$329,119	\$335,676
Total Amortization of capital assets	\$1,425,975	\$1,245,484	\$1,252,042
Interest on capital debt			
Supported	\$408,468	\$408,468	\$482,310
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$408,468	\$408,468	\$482,310
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$5,255
Total Expenses	\$23,578,910	\$23,585,645	\$22,521,358
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$985,578	(\$894,330)	\$864,183
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$985,578	(\$894,330)	\$864,183

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$985,578	\$864,183
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,120,562)	(\$916,365)
Total amortization expense	\$1,425,975	\$1,252,042
Gains on disposal of capital assets	(\$500)	(\$3,250)
Losses on disposal of capital assets	\$0	\$5,255
Changes in accrued accounts:		
Accounts receivable	\$433,455	(\$198,275)
Prepays and other current assets	(\$15,023)	\$22,331
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$523,699)	\$1,223,213
Deferred revenue	\$130,683	(\$313,548)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$1,315,907	\$1,935,586
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$401,225)	(\$7,126,152)
Equipment	(\$245,029)	(\$439,952)
Vehicles	\$0	(\$40,000)
Net proceeds from disposal of capital assets	\$500	\$50,406
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$645,754)	(\$7,555,698)
C. FINANCING ACTIVITIES		
Capital allocations	\$332,759	\$3,742,988
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$653,758)	(\$672,738)
Add back: supported portion	\$653,758	\$672,738
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$332,759	\$3,742,988
Net sources (uses) of cash during year	\$1,002,912	(\$1,877,124)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,071,015	\$8,948,139
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$8,073,927	\$7,071,015

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$8,241,065	\$2,188,030	\$241,020	\$4,477,569	\$1,334,446
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$8,241,065	\$2,188,030	\$241,020	\$4,477,569	\$1,334,446
Excess(def) of revenue over expenses	\$985,578		\$985,578		
Board funded capital transactions		\$352,158	\$0	(\$352,158)	
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,425,975)	\$1,425,975		
Amortization of capital allocations		\$1,120,562	(\$1,120,562)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$931,925)	\$931,925	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$359,066)		\$359,066
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0		
Balance at August 31, 2007	\$9,226,643	\$2,234,775	\$241,020	\$5,057,336	\$1,693,512

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$17,824,278
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$17,824,278
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$329,904	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$2,855	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$124,210
Current Year Debenture Principal Repayment		\$653,758
Expended capital allocations - current year	(\$294,094)	\$294,094
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$137,827
Capital allocations amortized to revenue		\$1,120,562
Balance at August 31, 2007	\$38,665	\$17,637,951

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

1. Authority and Purpose

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta, 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Education for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances on deposit with banks.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Revenue Recognition

Revenue is recognized as follows:

1. Instruction and support allocations are recognized in the year to which they relate.
2. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
3. Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to the unamortized capital allocation balance and are recognized as revenue in the periods in which the amortization expense for these capital assets is recorded. Amounts invested in unamortized capital assets are recorded as direct increases in net assets.
4. Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.
5. Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

2. Summary of Significant Accounting Policies *(continued from previous page)*

Capital Assets

Capital assets are recorded at cost. Items costing less than \$5,000 are expensed when purchased. Capital assets are amortized on a straight-line basis over the assets' estimated useful life as follows:

Vehicles	5 to 10 years
Buildings	10 to 40 years
Furniture and equipment	5 to 20 years

School generated funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointees. These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trips, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximates their carrying values.

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2007, there is no financial impact on the jurisdiction.

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

2. Summary of Significant Accounting Policies (continued from previous page)

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the HFCRD #37 School Division does not make pension contributions for certificate staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$94,096 (2006 - \$87,644) for the Year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 - deficiency of \$863,558,000).

3. Accounts Receivable	2007	2006
Province of Alberta	183,877	647,932
Federal Government and First Nations	228,369	27,101
Alberta Municipalities	331,023	429,446
Other Alberta School Jurisdictions	2,317	1,699
Other	189,399	262,262
	934,985	1,368,440

4. Capital Assets	2007			2006
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	965,754	-	965,754	965,754
Buildings	37,261,396	16,569,434	20,691,962	21,413,103
Vehicles	509,837	176,707	333,130	395,628
Furniture and equipment	3,006,721	2,042,553	964,168	973,867
	41,743,708	18,788,694	22,955,014	23,748,352

5. Accounts Payable and Accrued Liabilities	2007	2006
Alberta Education	413,814	361,340
Alberta Finance	178,235	210,927
Other trade payables and accrued liabilities	1,371,031	1,914,512
	1,963,080	2,486,779

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

6. Deferred Revenue	2007	2006
AB infrastructure	-	-
AB Initiative for School Improvement	11,637	10,234
AB Education Plant Operation & Maintenance (IMR)	138,606	-
Other	7,319	16,645
	<u>157,562</u>	<u>26,879</u>
7. Trust Assets and Liabilities	2007	2006
Deferred salary leave plan	44,376	29,338
Charitable donation fund	11,227	10,392
	<u>55,603</u>	<u>39,730</u>
8. Long-term Debt	2007	2006
Debentures, with interest ranging from 8.75% to 12.00%, repayable in annual blended payments of \$742,158, maturing from 2007 to 2017.	3,082,284	3,736,042
Less: current portion	648,846	653,758
	<u>2,433,438</u>	<u>3,082,284</u>

Principal repayments over the next five fiscal years are as follows:

2008	\$	648,846
2009		626,117
2010		472,537
2011		356,749
2012 to maturity		978,035

9. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

11. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Holy Family Catholic Regional Division No. 37 had related party transactions for the year ended August 31, 2007 with the Alberta Government recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

	<u>Balances</u>		<u>Transactions</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses</u>
Government of Alberta:				
Education	1,842	564,056	19,376,150	-
Infrastructure and Transportation	-	-	-	-
Finance	178,235	178,235	408,468	408,468
Human Resources/Employment	3,800	-	3,800	-
Other Gov't of Alberta departments	-	-	-	-
Other:				
Health Authorities	-	-	-	-
Northwest AB Child and Family Services	-	2,238	75,194	-
Other Related Parties	-	-	6,363	-
Other Alberta School Jurisdiction	2,317	3,141	137,670	88,096
Total 2006-2007	186,194	747,670	20,007,645	496,564
Total 2005-2006	649,631	598,905	19,308,497	579,963

12. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. Budget Amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval. It is presented for information purposes only and has not been audited.

14. Approval of Financial Statements

These financial statements were approved by management.

Holy Family Catholic Regional Division No. 37

Notes to the Financial Statements

August 31, 2007

15. Remuneration & Monetary Incentives

The Holy Family Catholic Regional Division No. 37 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair	0.0	\$0	\$0	\$0			\$0
William David (Bill) Mitchell	1.0	\$21,702	\$31	\$0			\$9,746
	0.0	\$0	\$0	\$0			\$0
Other members	0.0	\$0	\$0	\$0			\$0
Ann Martfield	0.3	\$835	\$9	\$0			\$84
Beatrice Wright	1.0	\$6,203	\$80	\$0			\$5,342
Carmelle Lizee	1.0	\$5,274	\$85	\$0			\$4,661
Debbie Gour	0.3	\$2,620	\$60	\$0			\$1,693
Denise Valiquette	1.0	\$6,819	\$121	\$0			\$6,571
Diane Lavioie	1.0	\$7,988	\$173	\$0			\$4,023
George Ostermeier	1.0	\$6,220	\$51	\$0			\$4,157
Louise Stokes	1.0	\$3,178	\$26	\$0			\$997
Rene Laroche	1.0	\$6,081	\$64	\$0			\$9,291
Subtotal	8.7	\$66,920	\$700	\$0			\$46,585
Superintendent - Rick Berry	1.0	\$133,884	\$10,475	\$0	\$0	\$0	\$21,028
Board Secretary - Wayne Doll	0.6	\$68,460	\$7,811	\$0	\$0	\$0	\$12,650
Board Treasurer - Helen Diaz	1.0	\$91,202	\$17,086	\$0	\$0	\$0	\$5,997
Certificated Teachers	147.69	\$10,773,364	\$1,233,861	\$0	\$0	\$21,808	
Non-certificated - Other	119.43	\$3,690,719	\$718,813	\$0	\$0	\$0	
TOTALS		\$14,833,849	\$1,988,746	\$0	\$0	\$21,808	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Holy Family Catholic Regional Division No. 37

Legal Name of School Jurisdiction

10307 - 99 Street, Peace River, Alberta T8S 1R5

Mailing Address

(780) 624-3956 (780) 624-1154

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Helen Diaz

Name

"ORIGINAL SIGNED"

Signature

November 29, 2007

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T6J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code

21

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$19,376,150	\$15,555,828	\$2,731,058	\$218,305	\$870,959	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$408,468		\$408,468			\$0
(4) Other - Government of Alberta	\$85,357	\$0,363	\$3,800	\$0	\$0	\$75,194
(5) Federal Government and/or First Nations	\$2,527,164	\$2,133,238	\$257,103	\$0	\$136,822	\$0
(6) Other Alberta school authorities	\$137,870	\$0	\$1	\$108,755	\$0	\$28,914
(7) Out of province authorities	\$0		\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$39,581	\$39,581				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$94,840	\$70,824	\$19,498	\$0	\$4,518	\$0
(12) Investment income	\$323,816	\$195,580	\$108,807	\$0	\$19,428	\$0
(13) Gifts and donations	\$28,795	\$16,541	\$10,238	\$0		\$2,016
(14) Rentals of facilities	\$13,826	\$0	\$4,143	\$0	\$774	\$8,909
(15) Net school generated funds	\$407,760	\$407,760			\$0	
(16) Gains on disposal of capital assets	\$500	\$500	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,120,562	\$0	\$1,120,562	\$0		\$0
(18) TOTAL REVENUES	\$24,564,489	\$18,426,216	\$4,863,678	\$327,060	\$1,032,502	\$115,033
EXPENSES						
(19) Certificated salaries	\$10,929,056	\$10,700,982			\$228,074	\$0
(20) Certificated benefits	\$1,244,336	\$1,224,711			\$19,625	\$0
(21) Non-certificated salaries and wages	\$3,926,301	\$2,932,409	\$511,504	\$26,483	\$404,963	\$50,942
(22) Non-certificated benefits	\$744,410	\$553,718	\$103,726	\$5,066	\$74,171	\$7,729
(23) SUB - TOTAL	\$16,844,103	\$15,411,820	\$615,230	\$31,549	\$726,833	\$58,671
(24) Services, contracts & supplies	\$4,492,604	\$2,018,319	\$1,868,403	\$289,997	\$229,177	\$86,708
(25) Cost recoveries between programs	\$0	\$86,629	\$0	(\$56,721)	\$52,255	(\$82,163)
(26) Net school generated funds	\$407,760	\$407,760				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,120,562	\$0	\$1,120,562	\$0	\$0	\$0
(28) Unsupported	\$305,413	\$145,800	\$103,559	\$0	\$24,237	\$31,817
(29) Total Amortization	\$1,425,975	\$145,800	\$1,224,121	\$0	\$24,237	\$31,817
Interest on capital debt						
(30) Supported	\$408,468	\$0	\$408,468	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$23,578,910	\$18,050,328	\$4,116,222	\$264,825	\$1,032,502	\$115,033
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$985,579	\$375,888	\$547,456	\$62,235	\$0	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$9,999,910
Additional Funding for Differential Cost Factors	\$7,916,494
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$374,214
Student Health Initiative (SHI)	\$7,508
Alberta Initiative for School Improvement (AISi)	\$272,773
SuperNet Services	\$54,378
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$112,258
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$28,935
Infrastructure Maintenance Renewal (IMR)	\$801,988
Other Funding from Alberta Education (separate) Capital Leasing	\$20,718
Total Alberta Education Revenues	\$18,378,150

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$836,510	\$878,399	\$131,801		\$0	\$0	\$1,644,710
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$1,107,325	\$286,403	\$54,078		\$0		\$1,447,804
ECS Program Unit (PUF)	\$39,795	\$102,034	\$40,350		\$0		\$182,178
Severe Disabilities (Gr 1-12)	\$1,074,358	\$1,448,239	\$225,122		\$0		\$2,747,717
English as a Second Language (ESL)	\$17,453	\$6,350	\$58		\$0		\$23,861
French Language & Francisation	\$809,157	\$0	\$8,154		\$0		\$817,311
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$193,631	\$334,188	\$68,655		\$0		\$566,474
Alberta Initiative for School Improvement	\$184,886	\$14,518	\$87,180	\$6,300	\$0		\$272,872
Student Health Initiative	\$7,508	\$0	\$0		\$0		\$7,508
SuperNet Service			\$50,178		\$9,908		\$60,086
Class Size Initiative	\$374,214	\$0	\$0	\$0	\$0		\$374,214
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$7,330,848	\$817,998	\$1,189,751	\$213,192	\$56,721	\$553,580	\$9,005,592
TOTAL EXPENSES	\$11,925,693	\$3,486,127	\$1,855,305	\$219,492	\$66,629	\$553,580	\$18,050,328

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	13.8	9.4
ECS Program Unit (PUF)	0.4	4.2
Severe Disabilities (Gr 1-12)	13.1	47.2

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$23,678,910
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
<small>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</small>	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,405,303
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrolment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,405,303
Less: 2006/2007 Board and System Administration expenses	-\$1,032,502
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$372,801

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$296,577																		
Sources of School Generated Funds:																			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Gross SGF</th> <th style="width: 20%;">Related Expenses</th> <th style="width: 40%;">Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td style="text-align: right;">\$376,269</td> <td style="text-align: right;">\$218,666</td> </tr> <tr> <td>Student fees (Non-instructional) (Note 1)</td> <td style="text-align: right;">\$119,652</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Donations and grants to schools</td> <td style="text-align: right;">\$100,214</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Other (describe):</td> <td style="text-align: right;">\$42,608</td> <td style="text-align: right;">\$5,846</td> </tr> <tr> <td>Net Additions to SGF</td> <td style="text-align: right;">\$638,743</td> <td style="text-align: right;">\$224,512</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$376,269	\$218,666	Student fees (Non-instructional) (Note 1)	\$119,652	\$0	Donations and grants to schools	\$100,214	\$0	Other (describe):	\$42,608	\$5,846	Net Additions to SGF	\$638,743	\$224,512
Gross SGF	Related Expenses	Net SGF																	
Fundraising activities	\$376,269	\$218,666																	
Student fees (Non-instructional) (Note 1)	\$119,652	\$0																	
Donations and grants to schools	\$100,214	\$0																	
Other (describe):	\$42,608	\$5,846																	
Net Additions to SGF	\$638,743	\$224,512																	
	\$414,231																		
Net SGF Available	\$710,808																		
Uses of Net School Generated Funds:																			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Extra-curricular activities</td> <td style="text-align: right;">\$209,898</td> </tr> <tr> <td>School site beautification</td> <td style="text-align: right;">\$438</td> </tr> <tr> <td>Field Trips</td> <td style="text-align: right;">\$47,895</td> </tr> <tr> <td>Equipment</td> <td style="text-align: right;">\$22,094</td> </tr> <tr> <td>Family literacy and other community resources</td> <td style="text-align: right;">\$3,216</td> </tr> <tr> <td>Other (describe): Donations and Awards</td> <td style="text-align: right;">\$124,219</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td style="text-align: right;">\$407,760</td> </tr> </tbody> </table>	Extra-curricular activities	\$209,898	School site beautification	\$438	Field Trips	\$47,895	Equipment	\$22,094	Family literacy and other community resources	\$3,216	Other (describe): Donations and Awards	\$124,219	Total Uses of Net SGF (Note 2)	\$407,760				
Extra-curricular activities	\$209,898																		
School site beautification	\$438																		
Field Trips	\$47,895																		
Equipment	\$22,094																		
Family literacy and other community resources	\$3,216																		
Other (describe): Donations and Awards	\$124,219																		
Total Uses of Net SGF (Note 2)	\$407,760																		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$303,048																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>																			
Notes:																			
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>																			
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>																			
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>																			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Holy Spirit Roman Catholic Separate Regional Division No. 4

Legal Name of School Jurisdiction

620 12 Street "B" North, Lethbridge, Alberta T1H 2L7

Mailing Address

Phone 403-327-9555 Fax 403-327-9595

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Holy Spirit Roman Catholic Separate Regional Division No. 4 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMANNadine King

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENTDavid Keohane

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURERJanice Roth

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Board-approved Release Date

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NOTES TO THE FINANCIAL STATEMENTS INSERT	9



KPMG LLP
Chartered Accountants
500 Lethbridge Centre Tower
400 - 4th Avenue South
Lethbridge AB T1J 4E1
Canada

Telephone (403) 380-5700
Fax (403) 380-5760
Internet www.kpmg.ca

AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the statement of financial position of the Holy Spirit Roman Catholic Separate Regional Division No. 4 as at August 31, 2007 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included in Schedules A through E is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Lethbridge, Canada
November 1, 2007

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note) Restated
ASSETS		
Current assets		
Cash and temporary investments	\$559,855	\$338,966
Accounts receivable (net after allowances)	\$17,848,478	\$1,332,940
Prepaid expenses	\$101,725	\$73,604
Other current assets	\$9,000	\$15,816
Total current assets	\$18,519,058	\$1,761,326
School generated assets	\$2,323,153	\$1,548,902
Trust assets	\$273,861	\$428,385
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$292,038	\$837,612
Buildings	\$56,774,878	
Less: accumulated amortization	(\$15,195,053)	\$40,453,206
Equipment	\$2,074,625	
Less: accumulated amortization	(\$1,706,124)	\$334,942
Vehicles	\$168,576	
Less: accumulated amortization	(\$98,724)	\$39,434
Total capital assets	\$42,310,216	\$41,685,194
TOTAL ASSETS	\$63,426,288	\$45,423,607
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,115,063	\$1,214,935
Deferred revenue	1,405,565.00	\$171,286
Deferred capital allocations	\$16,099,295	\$1,645,600
Current portion of all long term debt	\$467,223	\$476,604
Total current liabilities	\$19,088,076	\$3,508,425
School generated liabilities	\$2,323,153	\$1,548,902
Trust liabilities	\$273,861	\$428,385
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$1,932,072	\$2,408,676
Less: Current portion of supported debt	(\$467,223)	(\$476,604)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$345,000	\$345,000
Unamortized capital allocations	\$36,534,525	\$35,113,371
Total long term liabilities	\$40,941,388	\$39,367,730
TOTAL LIABILITIES	\$60,029,464	\$42,876,155
NET ASSETS		
Unrestricted net assets	(\$718,221)	(\$1,834,550)
Operating Reserves	\$0	\$115,468
Accumulated Operating Surplus (Deficit)	(\$718,221)	(\$1,719,082)
Investment in capital assets	\$3,843,619	\$4,163,151
Capital Reserves	\$271,426	\$103,583
Total Capital Funds	\$4,115,045	\$4,266,734
Total net assets	\$3,396,824	\$2,547,652
TOTAL LIABILITIES AND NET ASSETS	\$63,426,288	\$45,423,607

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$36,254,897	\$34,855,000	\$34,328,413
Federal Government and/or First Nations	\$1,105,678	\$1,245,024	\$1,290,193
Other Alberta school authorities	\$0	\$7,000	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$217,211	\$163,742	\$217,710
Transportation fees	\$0	\$0	\$0
Other sales and services	\$185,289	\$290,465	\$191,741
Investment income	\$109,191	\$0	\$0
Gifts and donations	\$0	\$0	\$3,716
Rentals of facilities	\$0	\$0	\$0
Net school generated funds	\$728,363	\$765,500	\$712,589
Gains on disposal of capital assets	\$973,851	\$0	\$0
Amortization of capital allocations	\$1,414,160	\$1,976,185	\$757,718
Total Revenues	\$40,988,640	\$39,302,916	\$37,502,070
EXPENSES			
Certificated salaries	\$19,689,525	\$18,905,418	\$19,047,562
Certificated benefits	\$2,398,793	\$2,243,579	\$2,109,700
Non-certificated salaries and wages	\$7,259,477	\$6,556,543	\$6,891,723
Non-certificated benefits	\$2,010,879	\$1,772,517	\$1,825,239
Services, contracts and supplies	\$6,222,660	\$6,879,025	\$6,106,873
Net school generated funds	\$728,363	\$765,500	\$712,589
Capital and debt services			
Amortization of capital assets			
Supported	\$1,411,769	\$1,976,185	\$757,718
Unsupported	\$206,908	\$74,430	\$137,458
Total Amortization of capital assets	\$1,618,677	\$2,050,615	\$895,176
Interest on capital debt			
Supported	\$206,187	\$225,147	\$258,037
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$206,187	\$225,147	\$258,037
Other interest charges	\$0	\$0	\$4,224
Losses on disposal of capital assets	\$4,907	\$0	\$3,943
Total Expenses	\$40,139,468	\$39,398,344	\$37,855,066
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$849,172	(\$95,428)	(\$352,996)
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$849,172	(\$95,428)	(\$352,996)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$849,172	(\$352,996)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,414,160)	(\$757,718)
Total amortization expense	\$1,618,677	\$895,176
Gains on disposal of capital assets	(\$973,851)	\$0
Losses on disposal of capital assets	\$4,907	\$3,943
Changes in accrued accounts:		
Accounts receivable	(\$16,515,538)	\$847,734
Prepays and other current assets	(\$21,305)	(\$10,421)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$96,942)	\$408,455
Deferred revenue	\$1,234,279	(\$194,900)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	(\$15,316,761)	\$839,273
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$2,768,578)	(\$4,220,258)
Equipment	(\$150,645)	(\$142,154)
Vehicles	(\$24,795)	\$0
Net proceeds from disposal of capital assets	\$1,669,263	\$16,300
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$1,274,755)	(\$4,346,112)
C. FINANCING ACTIVITIES		
Capital allocations	\$16,812,405	\$5,321,517
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$476,604)	(\$592,876)
Add back: supported portion	\$476,604	\$592,875
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$16,812,405	\$5,321,516
Net sources (uses) of cash during year	\$220,889	\$1,814,677
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$338,966	(\$1,475,711)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$559,855	\$338,966

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$2,892,652	\$2,673,601	\$0	\$115,468	\$103,583
Prior period adjustments (describe)					
Asset retirement obligation	(\$345,000)	\$0	(\$345,000)	\$0	\$0
Unfunded capital expenditure	\$0	\$1,489,550	(\$1,489,550)	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$2,547,652	\$4,163,151	(\$1,834,550)	\$115,468	\$103,583
Excess(def) of revenue over expenses	\$849,172		\$849,172		
Board funded capital transactions		\$585,309	(\$585,309)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,618,677)	\$1,618,677		
Amortization of capital allocations		\$1,414,160	(\$1,414,160)		
Disposal of unsupported capital assets	\$0	(\$269,787)	(\$303,675)		\$573,462
Disposal of supported capital assets (board funded portion)	\$0	(\$430,537)	(\$88,202)		\$518,739
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,043,992)	\$1,043,992	
Net transfers from operating reserves			\$1,159,460	(\$1,159,460)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$924,358		(\$924,358)
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$3,396,824	\$3,843,619	(\$718,221)	\$0	\$271,426

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,645,600	\$35,113,371
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,645,600	\$35,113,371
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$16,812,405	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$476,604
Expended capital allocations - current year	(\$2,358,710)	\$2,358,710
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,414,180
Balance at August 31, 2007	\$16,099,295	\$36,534,525

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

1. Authority and purpose

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

Investments

Investments are valued at cost.

Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost and amortization is provided for on a straight line basis using the following annual rates:

Equipment and furnishings	5 years
Vehicles	10 years
Buildings	40 years
Buildings and additions	25 years

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$454,369 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

2. Summary of significant accounting policies (continued)

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the Division or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Adjustments to prior year financial statements

With retroactive effect, prior years financial statements have been adjusted to reflect the Division's conditional asset retirement obligation related to the repair, removal and disposal of asbestos in one of its facilities. As the facility is fully amortized, the effect of this change is to increase other long-term liabilities by \$345,000 and to decrease unrestricted net assets by \$345,000.

Prior years financial statements have been adjusted to reflect the funding component of internally funded capital assets acquired in the previous year. The effect of this change is to decrease total unrestricted net assets by \$1,489,550 and to increase investment in capital assets by \$1,489,550.

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

4. Accounts receivable

	2007	2006
Province of Alberta	\$ 16,778,682	\$ 308,836
Federal government	280,378	756,836
Alberta municipalities	35,566	17,880
Indian and Northern Affairs Canada	15,292	-
Other	738,560	249,388
Total	\$ 17,848,748	\$ 1,332,940

5. Accounts payable and liabilities

	2007	2006
Province of Alberta	\$ 111,445	\$ 139,741
Other trade payables and accrued liabilities	1,004,548	1,075,194
Total	\$ 1,115,993	\$ 1,214,935

6. Deferred revenue

	2007	2006
Modernization Block Funding	\$ 1,350,519	\$ 114,050
Alberta Initiative for School Improvement	8,955	-
French language initiative	46,091	57,236
Total	\$ 1,405,565	\$ 171,286

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4**NOTES TO FINANCIAL STATEMENTS****For the Year Ended August 31, 2007**

7. Trust assets and liabilities

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2007	2006
Scholarship trusts	\$ 248,710	\$ 335,481
Charitable donations	25,151	92,589
Trust awards	-	315
Total	\$ 273,861	\$ 428,385

8. Long-term debt

The Division has various debentures payable to Alberta Capital Finance Authority relating to the acquisition of capital assets bearing interest at rates ranging from 8.875% to 12.0%. The debenture debt is fully supported by Alberta Finance. Principal payments in each of the next five years are estimated as follows:

2008	\$ 467,223
2009	351,053
2010	337,993
2011	330,668
2012	325,507
Thereafter	119,628
	<u>\$ 1,932,072</u>

9. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

10. Unamortized capital allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as full-supported debentured capital funds, as the principal is repaid.

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

11. Internally restricted net assets

Net assets may be restricted by authorization of the Board of Trustees for future capital and operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2007	2006
Operating	\$ -	\$ 115,468
Capital		
Technology	103,583	103,583
Operations - maintenance	167,843	-
	\$ 271,426	\$ 219,051

12. Capital over expenditure

The School Division has unfunded capital over expenditures on the St. Basil Catholic Education Centre totalling \$649,659. The over expenditure is expected to be funded by the sale of surplus property within the next year.

13. Commitments

The Division is committed to further capital expenditures for the modernization, replacement and addition of schools of approximately \$26,500,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

Catholic High School Campus	\$ 19,900,000
St. Catherine's School modernization	6,600,000
	\$ 26,500,000

HOLY SPIRIT ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO.4
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

14. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta: Education	\$ 31,292	\$ 1,405,565	\$36,146,354	\$ _
Finance	111,445	111,445	205,188	-
Other: Health authorities	-	-	-	68,093
Total 2006-2007	\$ 142,737	\$ 1,571,010	\$36,251,542	\$ 68,093
Total 2005-2006	\$ 317,688	\$ 311,027	\$34,613,159	\$ 173,457

15. Economic dependence on related third party

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

16. Budget amounts

The budget was prepared by the School Division management with Board of Trustees approval given on June 21, 2006. It is presented for information purposes only and has not been audited.

17. Remuneration and monetary incentives

	FTEs	Remuneration	Benefits	Allowances	Total	Expenses
Chairperson:						
K. Tratch	1.0	\$7,200	\$1,159	\$3,595	\$11,954	\$3,686
Other Board Members:						
G. Cormican	1.0	5,700	198	2,846	8,744	1,938
N. King	1.0	5,700	198	2,846	8,744	5,092
K. Milder	1.0	5,700	2,040	2,846	10,586	5,941
B. Baptista	1.0	5,700	1,150	2,846	9,696	3,503
C. Spearman	1.0	5,700	198	2,846	8,744	3,303
M. Welsch	1.0	5,700	2,617	2,846	11,163	3,773
S. Sawicki	1.0	5,700	89	2,846	8,635	3,503
A. Bergen-Henengouwen	1.0	5,700	3,075	2,846	11,621	-
Subtotal						
	9.0	\$52,800	\$10,724	\$26,363	\$89,887	\$30,739
Superintendent D. Keohane						
	1.0	\$132,000	\$11,111	\$3,000	\$146,111	\$16,824
Secretary/Treasurer V. Pirie						
	1.0	\$105,000	\$18,614	\$1,667	\$125,281	\$2,320
Certificated Salaries	257.5	\$19,557,525	\$2,387,682	\$10,860	\$21,956,067	
Uncertificated Salaries & Wages	204.2	\$7,101,677	\$1,981,541	\$15,650	\$9,098,868	
TOTALS						
		\$26,949,002	\$4,409,672	\$57,540	\$31,416,214	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Holy Spirit Roman Catholic Separate Regional Division No.4

Legal Name of School Jurisdiction

620 12 Street "B" North, Lethbridge, Alberta T1H 2L7

Mailing Address

Phone - 403-327-9555 Fax- 403-327-9595

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Janice Roth

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10165-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 437-7782 FAX: (780) 422-8996

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SCHEDULE A

School Jurisdiction Cod

4481

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$36,048,709	\$29,288,542	\$3,720,916	\$1,393,133	\$1,646,118	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$206,188		\$206,188			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$1,105,678	\$911,934	\$129,942	\$0	\$63,802	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$217,211	\$217,211				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$185,289	\$185,289	\$0	\$0	\$0	\$0
(12) Investment income	\$109,191	\$0	\$0	\$0	\$109,191	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$728,363	\$728,363			\$0	
(16) Gains on disposal of capital assets	\$973,851	\$0	\$516,348	\$0	\$457,503	\$0
(17) Amortization of capital allocations	\$1,414,160	\$0	\$1,414,160	\$0		\$0
(18) TOTAL REVENUES	\$40,988,640	\$31,331,339	\$5,987,554	\$1,393,133	\$2,276,614	\$0
EXPENSES						
(19) Certificated salaries	\$19,689,525	\$19,403,592			\$285,933	\$0
(20) Certificated benefits	\$2,398,793	\$2,377,018			\$21,775	\$0
(21) Non-certificated salaries and wages	\$7,259,477	\$5,192,586	\$1,483,742	\$45,185	\$537,964	\$0
(22) Non-certificated benefits	\$2,010,879	\$1,515,387	\$359,924	\$10,013	\$125,555	\$0
(23) SUB - TOTAL	\$31,358,674	\$26,488,583	\$1,843,666	\$55,198	\$971,227	\$0
(24) Services, contracts & supplies	\$6,222,660	\$2,964,483	\$1,752,279	\$996,858	\$509,040	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$728,363	\$728,363				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,411,769	\$0	\$1,411,769	\$0	\$0	\$0
(28) Unsupported	\$206,908	\$118,863	\$17,275	\$0	\$70,770	\$0
(29) Total Amortization	\$1,618,677	\$118,863	\$1,429,044	\$0	\$70,770	\$0
Interest on capital debt						
(30) Supported	\$206,187	\$0	\$206,187	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$4,907	\$4,907	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$40,139,468	\$32,305,199	\$5,231,176	\$1,052,056	\$1,551,037	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$849,172	(\$973,860)	\$756,378	\$341,077	\$725,577	\$0

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$21,832,731
Additional Funding for Differential Cost Factors	\$6,593,137
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,381,899
Student Health Initiative (SHI)	\$198,373
Alberta Initiative for School Improvement (AIS)	\$556,739
SuperNet Services	\$84,588
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$0
Infrastructure Maintenance Renewal (IMR)	\$348,374
Other Funding from Alberta Education (describe): Board and System, O and M	\$5,051,868
Total Alberta Education Revenues	\$38,048,709

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$2,004,676	\$1,451,445	\$446,775		\$0	\$0	\$3,902,896
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$1,057,388	\$240,759	\$27,706		\$0		\$1,325,853
ECS Program Unit (PUF)	\$124,396	\$748,826	\$298,441		\$0		\$1,171,663
Severe Disabilities (Gr 1-12)	\$316,501	\$2,777,309	\$73,526		\$0		\$3,167,336
English as a Second Language (ESL)	\$0	\$30,343	\$0		\$0		\$30,343
French Language & Francisation	\$44,696	\$0	\$31,447		\$0		\$76,143
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$139,062	\$218,018	\$83,900		\$0		\$440,980
Alberta Initiative for School Improvement	\$223,534	\$0	\$333,205	\$0	\$0		\$556,739
Student Health Initiative	\$0	\$278,941	\$7,412		\$0		\$286,353
SuperNet Service			\$84,777		\$0		\$84,777
Class Size Initiative	\$1,094,970	\$0	\$0	\$0	\$0		\$1,094,970
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$16,775,387	\$962,332	\$1,577,291	\$0	\$0	\$852,133	\$20,167,146
TOTAL EXPENSES	\$21,780,610	\$6,707,973	\$2,964,480	\$0	\$0	\$852,133	\$32,305,199

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	13.2	7.7
ECS Program Unit (PUF)	1.0	23.8
Severe Disabilities (Gr 1-12)	3.9	68.3

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES		\$40,139,488
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		5.90%
If "Total Net Enrolled Students" are 6,000 and over	= 4%	
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</p>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		\$2,006,973
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1- 12 funded enrollment	4,052	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$2,006,973
Less: 2006/2007 Board and System Administration expenses		-\$1,551,037
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$455,936

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006				\$1,548,902
Sources of School Generated Funds:				
	Gross SGF	Related Expenses	Net SGF	
Fundraising activities	\$2,498,434	\$1,136,664	\$1,361,770	
Student fees (Non-Instructional) (Note 1)	\$24,490	\$0	\$24,490	
Donations and grants to schools	\$116,354	\$0	\$116,354	
Other (describe):	\$0	\$0	\$0	
Net Additions to SGF	\$2,639,278	\$1,136,664	\$1,502,614	
Net SGF Available				\$3,051,516
Uses of Net School Generated Funds:				
			\$284,166	
Extra-curricular activities			\$0	
School site beautification			\$323,839	
Field Trips			\$0	
Equipment			\$31,363	
Family literacy and other community resources			\$88,995	
Other (describe): Donations				
Total Uses of Net SGF (Note 2)				\$728,363
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)				\$2,323,153
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>				
Notes:				
1	Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.			
2	Total uses of net SGF is reported as revenue and expense in the Statement of Revenue & Expenses of the Financial Statements.			
3	Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

HORIZON SCHOOL DIVISION NO. 67

Legal Name of School Jurisdiction

6302 - 56th Street, Taber, AB T1G 1Z9

Mailing Address

Telephone: (403)223-3547 ; Fax: (403)223-2999

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of HORIZON SCHOOL DIVISION NO. 67
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Marie Logan

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Cheryl Gilmore

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

John Rakai

Name

"ORIGINAL SIGNED"

Signature

29-Nov-07

Board-approved Release Date

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Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Horizon School Division No. 67

We have audited the statement of financial position of the Horizon School Division No. 67 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

November 16, 2007

Young Parkyn McNab LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note) (Restated)
ASSETS		
Current assets		
Cash and temporary investments	\$3,550,858	\$5,609,844
Accounts receivable (net after allowances)	\$1,121,420	\$1,316,670
Prepaid expenses	\$0	\$0
Other current assets	\$0	\$0
Total current assets	\$4,672,278	\$6,926,514
School generated assets	\$1,348,931	\$970,598
Trust assets	\$1,038	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$4,372,214	\$0
Capital assets		
Land	\$487,275	\$487,275
Buildings	\$33,433,457	
Less: accumulated amortization	(\$13,219,214)	\$20,214,243
Equipment	\$1,810,389	
Less: accumulated amortization	(\$1,092,072)	\$718,317
Vehicles	\$890,008	
Less: accumulated amortization	(\$486,929)	\$203,079
Total capital assets	\$21,622,914	\$21,634,400
TOTAL ASSETS	\$32,017,375	\$29,531,512
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,320,485	\$898,403
Deferred revenue	\$453,666	\$114,180
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$127,743	\$127,743
Total current liabilities	\$1,901,894	\$1,140,326
School generated liabilities	\$1,348,931	\$970,598
Trust liabilities	\$1,038	\$0
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$697,776	\$825,518
Less: Current portion of supported debt	(\$127,743)	(\$127,743)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$653,943	\$0
Unamortized capital allocations	\$17,413,926	\$17,688,561
Total long term liabilities	\$19,987,871	\$19,356,934
TOTAL LIABILITIES	\$21,889,765	\$20,497,260
NET ASSETS		
Unrestricted net assets	\$4,836,181	\$3,877,530
Operating Reserves	\$1,569,456	\$1,825,641
Accumulated Operating Surplus (Deficit)	\$6,405,637	\$5,703,171
Investment in capital assets	\$3,511,213	\$3,120,321
Capital Reserves	\$210,760	\$210,760
Total Capital Funds	\$3,721,973	\$3,331,081
Total net assets	\$10,127,610	\$9,034,252
TOTAL LIABILITIES AND NET ASSETS	\$32,017,375	\$29,531,512

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note) (Restated)
REVENUES			
Government of Alberta	\$33,372,996	\$33,593,052	\$30,736,081
Federal Government and/or First Nations	\$6,453	\$10,800	\$736
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$215,441	\$150,000	\$212,405
Transportation fees	\$14,969	\$14,970	\$14,268
Other sales and services	\$250,518	\$48,977	\$63,225
Investment income	\$341,065	\$190,000	\$222,984
Gifts and donations	\$0	\$0	\$149,725
Rentals of facilities	\$22,099	\$23,085	\$26,710
Net school generated funds	\$1,413,051	\$550,000	\$1,387,053
Gains on disposal of capital assets	\$0	\$0	\$68,491
Amortization of capital allocations	\$544,610	\$421,573	\$429,446
Total Revenues	\$36,181,202	\$35,002,457	\$33,311,124
EXPENSES			
Certificated salaries	\$15,741,772	\$16,415,731	\$15,299,028
Certificated benefits	\$1,709,308	\$1,795,580	\$1,547,603
Non-certificated salaries and wages	\$5,650,469	\$5,364,954	\$5,230,213
Non-certificated benefits	\$1,000,869	\$898,014	\$946,337
Services, contracts and supplies	\$8,673,392	\$9,718,709	\$7,875,946
Net school generated funds	\$1,413,051	\$550,000	\$1,387,053
Capital and debt services			
Amortization of capital assets			
Supported	\$544,610	\$421,573	\$429,446
Unsupported	\$270,170	\$298,048	\$247,309
Total Amortization of capital assets	\$814,780	\$719,621	\$676,755
Interest on capital debt			
Supported	\$81,637	\$90,371	\$95,675
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$81,637	\$90,371	\$95,675
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$2,566	\$0	\$31,506
Total Expenses	\$35,087,844	\$35,552,980	\$33,190,116
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,093,358	(\$550,523)	\$121,008
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,093,358	(\$550,523)	\$121,008

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,093,369	\$121,008
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$544,610)	(\$429,446)
Total amortization expense	\$814,780	\$676,755
Gains on disposal of capital assets	\$0	(\$68,491)
Losses on disposal of capital assets	\$2,566	\$31,506
Changes in accrued accounts:		
Accounts receivable	\$195,250	(\$290,675)
Prepays and other current assets	\$0	\$1,488
Long term accounts receivable	\$0	\$0
Long term investments	(\$4,372,214)	\$0
Payables and accrued liabilities	\$422,082	\$0
Deferred revenue	\$339,486	\$404,701
Employee future benefit expense (recovery)	\$0	(\$32,151)
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	(\$2,049,302)	\$414,695
B. INVESTING ACTIVITIES		
Purchases of capital assets:		
Land	\$0	\$0
Buildings	(\$434,227)	(\$3,053,583)
Equipment	(\$298,181)	(\$238,565)
Vehicles	(\$73,952)	(\$126,507)
Net proceeds from disposal of capital assets	\$500	\$77,779
Other (describe)	\$0	\$65,828
Total sources (uses) of cash from Investing activities	(\$805,860)	(\$3,275,048)
C. FINANCING ACTIVITIES		
Capital allocations	\$142,233	\$2,544,579
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$127,742)	(\$127,791)
Add back: supported portion	\$127,742	\$127,790
Other (describe) Long-term deferral AB gov't wind power cont.	\$653,943	\$0
Total sources (uses) of cash from Financing activities	\$796,176	\$2,544,578
Net sources (uses) of cash during year	(\$2,058,986)	(\$315,775)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$5,609,844	\$5,925,619
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$3,550,858	\$5,609,844

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$9,034,252	\$3,120,321	\$3,877,530	\$1,825,641	\$210,760
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$9,034,252	\$3,120,321	\$3,877,530	\$1,825,641	\$210,760
Excess(def) of revenue over expenses	\$1,093,358		\$1,093,358		
Board funded capital transactions		\$664,128	(\$663,628)	\$0	(\$500)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$814,780)	\$814,780		
Amortization of capital allocations		\$544,610	(\$544,610)		
Disposal of unsupported capital assets	\$0	(\$3,066)	\$2,566		\$500
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$910,847)	\$910,847	
Net transfers from operating reserves			\$1,167,032	(\$1,167,032)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$10,127,610	\$3,511,213	\$4,836,181	\$1,569,456	\$210,760

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$17,688,561
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$17,688,561
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$138,406	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$3,827	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$127,742
Expended capital allocations - current year	(\$142,233)	\$142,233
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$544,610
Balance at August 31, 2007	\$0	\$17,413,926

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 5%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Horizon School Division No. 67 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$ 356,648 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

f) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

These consist of cash and temporary investments, accounts receivable, long-term investments, accounts payable and accrued liabilities, long-term debt, and other long-term liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$ 697,359	\$ 910,503
Alberta Finance	61,990	52,500
Federal Government	199,767	234,475
Other Province of Alberta	24,200	65,258
Other	138,104	53,934
Total	\$1,121,420	\$1,316,670

4. LONG TERM INVESTMENT

	2007	2006
Investments (market value: \$2,948,773)	\$ 3,000,000	\$ NIL
Southern Alberta Wind Farm project	1,372,214	NIL
	\$ 4,372,214	\$ NIL

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 towards the project, with Horizon School Division contributions totaling \$711,040. This investment will be repaid over 20 years including interest. The principal amount outstanding at year end is \$1,372,214.

Principal repayments in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2008	\$ 43,233	\$ 67,629	\$ 110,861
2009	45,444	65,417	110,861
2010	47,769	63,092	110,861
2011	50,213	60,648	110,861
2012	52,782	58,079	110,861
2013 to maturity	1,132,773	456,243	1,589,016

5. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$400,000 that bears interest at the Royal Bank of Canada's prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007.

HORIZON SCHOOL DIVISION NO. 67
Notes to the Financial Statements
August 31, 2007

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
Alberta Finance	\$ 43,767	\$ 52,500
Federal Government	48,564	NIL
Other Trade Payables and Accrued Liabilities	1,228,154	845,903
Total	\$ 1,320,485	\$ 898,403

7. DEFERRED REVENUE

	2007	2006
Wind power investment	\$ 21,273	\$ NIL
Infrastructure Maintenance Renewal (from Education)	262,626	NIL
Alberta Initiative for School Improvement (from Education)	27,179	7,453
Video Conferencing Project Funding	NIL	50,000
Other	142,588	56,727
Total	\$ 453,666	\$ 114,180

8. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Horizon Travel Club	\$ 1,038	\$ NIL

9. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	\$ 127,720	\$ 76,338	\$ 204,058
2008-2009	125,707	62,308	188,015
2009-2010	124,681	48,501	173,182
2010-2011	122,753	34,805	157,558
2011-2012	75,765	21,319	97,084
2012 to maturity	121,150	20,055	141,205
Total	\$ 697,776	\$ 263,326	\$ 961,102

b) Capital Leases – Unsupported

Currently, there are no capital leases held by the jurisdiction.

HORIZON SCHOOL DIVISION NO. 67
Notes to the Financial Statements
August 31, 2007

10. OTHER LONG TERM LIABILITIES

	2007	2006
Southern Alberta Wind Farm project government portion	\$ 653,943	\$ NIL

The Horizon School Division investment in the Southern Alberta Wind Farm project was \$1,422,080, consisting of a government grant and a divisional contribution each in the amount of \$711,040. The government grant will be brought into income over a 20 year period.

Deferred revenue will be brought into income in each of the next five fiscal years and beyond as follows:

2008	\$ 21,273
2009	22,362
2010	23,506
2011	24,708
2012	25,972
2013 to maturity	557,385

11. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

13. COMMITMENTS

Building Projects: The jurisdiction has committed \$100,000 to the Lomond Community Multi-purpose Facility Committee (Lomond School). There is no anticipated project completion date as of August 31, 2007. These costs will be primarily funded by the jurisdiction.

Energy Contract: The jurisdiction has entered into a contract with Enmax to provide energy at a specific rate for 20 years.

HORIZON SCHOOL DIVISION NO. 67
Notes to the Financial Statements
August 31, 2007

14. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets @ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
2006-2007				
Government of Alberta:				
Education	\$ 697,359	\$	\$ 33,243,264	\$ 0
Infrastructure & Transportation	0	0		0
Finance	61,990	43,767	81,637	81,637
Health & Wellness	0	0		0
Human Resources/Employment	0	0	4,800	
Other:				
Health authorities	24,200	0	43,295	
Post-secondary institutions	0		57,500	57,500
Other Alberta school jurisdictions	0		14,969	
Other related parties	747,934	675,216	82,895	24,220
TOTAL 2006-2007	\$1,531,483	\$718,983	\$33,528,360	\$163,337
TOTAL 2005-2006	\$1,028,261	\$52,500	\$30,736,081	\$747,358

15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on November 9, 2006. It is presented for information purposes only and has not been audited.

HORIZON SCHOOL DIVISION NO. 67
Notes to the Financial Statements
August 31, 2007

17. PRIOR PERIOD ADJUSTMENT

School generated assets, school generated liabilities, and net school generated funds revenues and expenses have been restated for the year ended August 31, 2006. This restatement is to include balances representing the activities of the Warner Hockey School which is operated by the Warner School, as well as some miscellaneous accounts from the Central and Lomond schools. The adjustments are as follows:

	Previously Presented	Adjustment	Restated Balance
School Generated Assets	\$ 914,163	\$ 56,435	\$ 970,598
School Generated Liabilities	(914,163)	(56,435)	(970,598)
Net School Generated Funds (Revenue)	(928,229)	(458,824)	(1,387,053)
Net School Generated Funds (Expense)	928,229	458,824	1,387,053

18. REMUNERATION AND MONETARY INCENTIVES

The Horizon School Division No. 67 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair - Bruce Francis	1.0	\$11,035	\$373	\$0			\$1,046
Marie Logan	1.0	\$10,233	\$333	\$0			\$4,622
Derek Baron	1.0	\$9,958	\$320	\$0			\$1,046
Sharon Hoffman	1.0	\$9,958	\$320	\$0			\$3,288
Audrey Krizan	1.0	\$9,958	\$0	\$0			\$2,706
Norma Peters	1.0	\$9,958	\$320	\$0			\$4,635
Terry Michaelis	1.0	\$9,958	\$320	\$0			\$4,328
Subtotal	7.0	\$71,058	\$1,986	\$0			\$21,671
Superintendent - Cheryl Gilmore	1.0	\$124,068	\$10,318	\$0	\$0	\$0	\$12,868
Secretary/Treasurer - John Rakai	1.0	\$103,050	\$19,596	\$0	\$0	\$0	\$3,363
Certificated Teachers	214.4	\$15,617,704	\$1,698,990	\$0	\$0	\$0	
Non-certificated - Other	200.5	\$5,476,361	\$979,287	\$0	\$0	\$0	
TOTALS		\$21,392,241	\$2,710,177	\$0	\$0	\$0	

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

HORIZON SCHOOL DIVISION NO.67

Legal Name of School Jurisdiction

6302 - 56TH STREET, TABER, AB T1G 1Z9

Mailing Address

TELEPHONE: (403)223-3547 ; FAX: (403)223-2999

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

John Rakai

Name

"ORIGINAL SIGNED"

Signature

29-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L8
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code

1045

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$33,243,264	\$24,081,338	\$4,603,110	\$3,350,393	\$1,228,423	\$0
(2) Alberta Infrastructure & Transportation	\$0					
(3) Alberta Finance	\$81,637		\$81,637			\$0
(4) Other - Government of Alberta	\$48,095	\$43,295	\$4,800	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$8,453	\$739	\$5,714	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$215,441	\$215,441				
(10) Transportation fees	\$14,969			\$14,969		
(11) Other sales and services	\$250,518	\$242,718	\$7,800	\$0	\$0	\$0
(12) Investment income	\$341,085	\$261,597	\$28,308	\$17,053	\$34,107	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$22,099	\$19,175	\$2,924	\$0	\$0	\$0
(15) Net school generated funds	\$1,413,051	\$1,413,051			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$544,610	\$0	\$544,610	\$0		\$0
(18) TOTAL REVENUES	\$36,181,202	\$26,257,354	\$5,278,903	\$3,382,415	\$1,262,530	\$0
EXPENSES						
(19) Certificated salaries	\$15,741,772	\$15,443,554			\$298,218	\$0
(20) Certificated benefits	\$1,709,308	\$1,682,412			\$26,896	\$0
(21) Non-certificated salaries and wages	\$5,650,469	\$4,403,222	\$788,698	\$21,067	\$437,482	\$0
(22) Non-certificated benefits	\$1,000,869	\$757,275	\$134,041	\$4,573	\$104,980	\$0
(23) SUB - TOTAL	\$24,102,418	\$22,286,463	\$922,739	\$25,640	\$867,576	\$0
(24) Services, contracts & supplies	\$8,673,392	\$2,374,562	\$3,298,450	\$2,620,648	\$379,732	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$1,413,051	\$1,413,051				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$544,610	\$0	\$544,610	\$0	\$0	\$0
(28) Unsupported	\$270,170	\$151,127	\$103,821	\$0	\$15,222	\$0
(29) Total Amortization	\$814,780	\$151,127	\$648,431	\$0	\$15,222	\$0
Interest on capital debt						
(30) Supported	\$81,637	\$0	\$81,637	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$2,566	\$2,566	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$35,087,844	\$26,227,769	\$4,951,257	\$2,646,288	\$1,262,530	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,093,358	\$29,585	\$327,646	\$736,127	\$0	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$17,782,681
Additional Funding for Differential Cost Factors	\$12,671,773
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$855,378
Student Health Initiative (SHI)	\$140,242
Alberta Initiative for School Improvement (AISi)	\$414,065
SuperNet Services	\$111,829
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$0
Infrastructure Maintenance Renewal (IMR)	\$1,221,532
Other Funding from Alberta Education (describe) Video Conferencing Project	\$37,785
Total Alberta Education Revenues	\$33,243,284

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$1,823,847	\$853,735	\$111,115		\$0	\$0	\$2,888,497
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$365,954	\$842,619	\$38,541		\$0		\$1,247,114
ECS Program Unit (PUF)	\$2,350	\$241,004	\$122,442		\$0		\$365,796
Severe Disabilities (Gr 1-12)	\$523,158	\$1,317,223	\$25,749		\$0		\$1,866,129
English as a Second Language (ESL)	\$28,893	\$273,384	\$90,091		\$0		\$392,368
French Language & Francisation	\$0	\$0	\$739		\$0		\$739
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$48,300	\$9,121		\$0		\$57,421
Alberta Initiative for School Improvement	\$189,130	\$151,237	\$40,448	\$33,253	\$0		\$414,068
Student Health Initiative	\$0	\$123,589	\$30,828		\$0		\$154,515
SuperNet Service			\$138,020		\$0		\$138,020
Class Size Initiative	\$855,378	\$0	\$0	\$0	\$0		\$855,378
Children and Youth with Complex Needs (CYC - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$13,237,458	\$1,309,406	\$1,273,060	\$481,059	\$0	\$1,588,744	\$17,847,727
TOTAL EXPENSES	\$17,125,966	\$5,160,497	\$1,880,250	\$494,312	\$0	\$1,588,744	\$26,227,769

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	4.8	32.0
ECS Program Unit (PUF)	0.5	2.9
Severe Disabilities (Gr 1-12)	8.7	82.7

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$35,087,844
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,754,382
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,754,382
Less: 2006/2007 Board and System Administration expenses	-\$1,262,530
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$491,852

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006				\$970,598
Sources of School Generated Funds:				
Fundraising activities	Gross SGF	Related Expenses	Net SGF	
Student fees (Non-Instructional) (Note 1)	\$873,625	\$516,634	\$356,991	
Donations and grants to schools	\$781,044	\$0	\$781,044	
Other (describe): Interest, Facility Rent, Admission, Hockey	\$333,961	\$0	\$333,961	
	\$515,403	\$196,016	\$319,387	
Net Additions to SGF	\$2,504,033	\$712,650		\$1,791,383
Net SGF Available				\$2,761,981
Uses of Net School Generated Funds:				
Extra-curricular activities			\$630,980	
School site beautification			\$1,054	
Field Trips			\$82,584	
Equipment			\$140,261	
Family literacy and other community resources			\$118	
Other (describe): Breakfast program, Administration, Student's Union, Grad, Hockey Program, Insurance, Misc			\$558,074	
Total Uses of Net SGF (Note 2)				\$1,413,051
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)				\$1,348,930
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 				

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

Legal Name of School Jurisdiction

4810-46 STREET BONNYVILLE, ALBERTA T9N 2R2

Mailing Address

1-780-826-3764 1-780-826-7576

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN**VICKY LEFEBVRE**

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT**BERNADETTE PROVOST**

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER**DOUG EWANOWICH**

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10165-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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AUDITORS' REPORT

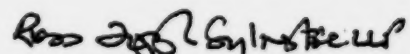
To the Board of Trustees of:
Lakeland Roman Catholic Separate School District No. 150

We have audited the statement of financial position of the Lakeland Roman Catholic Separate School District No. 150 (School District) as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Bonnyville, Alberta
November 8, 2007


Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$7,643,898	\$7,981,679
Accounts receivable (net after allowances)	\$1,173,183	\$809,863
Prepaid expenses	\$11,883	\$11,587
Other current assets	\$321,295	\$172,318
Total current assets	\$9,150,259	\$8,975,447
School generated assets	\$244,056	\$175,018
Trust assets	\$10,814	\$10,405
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$522,582	\$530,906
Buildings	\$25,058,844	
Less: accumulated amortization	(\$11,334,226)	\$13,724,618
Equipment	\$1,825,582	
Less: accumulated amortization	(\$915,972)	\$909,610
Vehicles	\$368,779	
Less: accumulated amortization	(\$156,131)	\$213,648
Total capital assets	\$15,370,458	\$9,911,010
TOTAL ASSETS	\$24,775,587	\$19,071,880
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,882,088	\$1,570,601
Deferred revenue	\$952,384	\$99,694
Deferred capital allocations	\$2,311,024	\$3,547,475
Current portion of all long term debt	\$397,664	\$408,009
Total current liabilities	\$5,543,160	\$5,625,779
School generated liabilities	\$244,056	\$175,018
Trust liabilities	\$10,814	\$10,405
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$1,614,424	\$1,946,005
Less: Current portion of supported debt	(\$319,812)	(\$331,581)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$77,852	\$154,281
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$77,852)	(\$76,428)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$11,450,470	\$5,853,947
Total long term liabilities	\$12,999,952	\$7,731,647
TOTAL LIABILITIES	\$18,543,112	\$13,357,426
NET ASSETS		
Unrestricted net assets	\$36,528	\$0
Operating Reserves	\$2,744,002	\$2,547,823
Accumulated Operating Surplus (Deficit)	\$2,780,530	\$2,547,823
Investment in capital assets	\$2,305,583	\$2,111,057
Capital Reserves	\$1,146,382	\$1,055,574
Total Capital Funds	\$3,451,945	\$3,166,631
Total net assets	\$6,232,475	\$5,714,454
TOTAL LIABILITIES AND NET ASSETS	\$24,775,587	\$19,071,880

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007
(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$17,338,481	\$16,353,779	\$16,756,715
Federal Government and/or First Nations	\$393,278	\$469,709	\$451,576
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$18,000
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$50,771	\$69,601	\$51,318
Transportation fees	\$0	\$0	\$0
Other sales and services	\$102,265	\$0	\$96,366
Investment income	\$204,054	\$92,000	\$169,219
Gifts and donations	\$143,357	\$0	\$35,466
Rentals of facilities	\$0	\$0	\$0
Net school generated funds	\$445,330	\$410,000	\$389,770
Gains on disposal of capital assets	\$0	\$0	\$1,084
Amortization of capital allocations	\$631,272	\$623,996	\$638,419
Total Revenues	\$19,308,808	\$18,019,085	\$18,607,933
EXPENSES			
Certificated salaries	\$8,932,043	\$8,546,588	\$8,529,683
Certificated benefits	\$1,052,422	\$1,055,740	\$1,068,488
Non-certificated salaries and wages	\$3,112,102	\$2,864,537	\$2,933,368
Non-certificated benefits	\$807,875	\$716,134	\$799,853
Services, contracts and supplies	\$3,426,915	\$3,519,757	\$3,954,978
Net school generated funds	\$445,330	\$410,000	\$389,770
Capital and debt services			
Amortization of capital assets			
Supported	\$631,272	\$623,996	\$638,419
Unsupported	\$198,068	\$132,640	\$121,110
Total Amortization of capital assets	\$829,340	\$756,636	\$759,529
Interest on capital debt			
Supported	\$184,760	\$204,746	\$220,007
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$184,760	\$204,746	\$220,007
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$18,790,787	\$18,074,138	\$18,655,676
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$518,021	(\$55,053)	(\$47,743)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$518,021	(\$55,053)	(\$47,743)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$518,021	(\$47,743)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$631,272)	(\$638,419)
Total amortization expense	\$829,340	\$759,529
Gains on disposal of capital assets	\$0	(\$1,084)
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$363,320)	\$599,506
Prepays and other current assets	(\$149,273)	\$22,998
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$311,487	\$768,508
Deferred revenue	\$852,690	(\$142,627)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)		\$0
Total sources (uses) of cash from Operations	\$1,367,673	\$1,320,668
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$5,604,409)	(\$1,280,858)
Equipment	(\$566,670)	(\$382,846)
Vehicles	(\$117,709)	(\$119,924)
Net proceeds from disposal of capital assets	\$0	\$16,000
Other (describe) TO BALANCE		\$0
Total sources (uses) of cash from investing activities	(\$6,288,788)	(\$1,767,628)
C. FINANCING ACTIVITIES		
Capital allocations	\$4,659,763	\$4,689,439
Issue of long term debt	\$0	\$233,584
Repayment of long term debt	(\$408,010)	(\$431,334)
Add back: supported portion	\$331,581	\$352,031
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$4,583,334	\$4,643,720
Net sources (uses) of cash during year	(\$337,781)	\$4,396,760
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$7,981,679	\$3,584,919
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$7,643,898	\$7,981,679

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$5,714,454	\$2,111,057	\$0	\$2,547,823	\$1,055,574
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$5,714,454	\$2,111,057	\$0	\$2,547,823	\$1,055,574
Excess(def) of revenue over expenses	\$518,021		\$518,021		
Board funded capital transactions		\$392,574	(\$262,797)	(\$22,517)	(\$107,260)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$829,340)	\$829,340		
Amortization of capital allocations		\$631,272	(\$631,272)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$218,696)	\$218,696	
Net transfers from operating reserves			\$0		
Net transfers to capital reserves			(\$198,068)		\$198,068
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$6,232,475	\$2,305,563	\$36,528	\$2,744,002	\$1,146,382

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$3,547,475	\$5,853,947
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$3,547,475	\$5,853,947
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$4,490,615	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$169,148	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$331,581
Expended capital allocations - current year	(\$5,896,214)	\$5,896,214
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$631,272
Balance at August 31, 2007	\$2,311,024	\$11,450,470

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

1. AUTHORITY AND PURPOSE

The School District delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School District receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School District is limited on certain funding allocations and administration expenses.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

2. ACCOUNTING POLICIES (Continued)

(b) Capital assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 10%
Equipment	10% to 20%
Site improvements	5%
Vehicles	20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense

(c) School generated funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e g yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School District does not make pension contributions for certificated staff.

(f) Prepaid expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

2. ACCOUNTING POLICIES (Continued)

(g) Contributed services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

(i) Employee Future Benefits

The School District accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2007, the recorded obligation is \$96,990 (2006: \$78,540). The total expense recorded in the financial statements is \$18,450 (2006: \$17,406).

(j) Asset Retirement Obligations

Asset retirement obligations represent legal obligations associated with the retirement of a tangible long-lived assets that results from its acquisition, construction, development, or normal operation. If such an obligation exists, a liability is recognized when a reasonable estimate of the fair value can be made.

(k) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and approximations that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates and approximations.

3. CASH RESTRICTIONS

Cash held at year end of \$254,847 is restricted for the Minds On Program

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150**NOTES TO FINANCIAL STATEMENTS****AUGUST 31, 2007****4. TRUST ASSETS AND LIABILITIES**

This balance represents cash that is held in trust by the jurisdiction for a scholarship trust.

5. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$ 374,429	\$ 220,659
Alberta Finance	98,476	118,462
Other Province of Alberta	32,811	26,914
Federal Government	366,664	151,822
Alberta Municipalities	206,503	240,400
Other	94,300	51,606
	\$1,173,183	\$ 809,863

6. ACCOUNTS PAYABLE

	2007	2006
Alberta Education	\$ 234,273	\$ 365,901
Alberta Finance	98,476	-
Other trade payables and accrued liabilities	1,549,339	1,204,700
	\$ 1,882,088	\$ 1,570,601

7. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Program	\$ -	\$ 16,601
Infrastructure Maintenance Renewal	563,540	74,128
Minds On Program	176,960	-
Alberta Initiative for School Improvement	34,355	-
Class Size Initiative	168,781	-
Other Grants	8,748	8,965
	\$ 952,384	\$ 99,694

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150**NOTES TO FINANCIAL STATEMENTS****AUGUST 31, 2007****8. LONG TERM DEBT**

a) Debenture debt - supported

The debenture debt bears interest at rates varying between 9% and 11 75% The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2008	\$ 319,812	\$ 170,093	\$ 489,905
2009	313,624	136,617	450,241
2010	313,624	103,698	417,322
2011	313,624	70,779	384,403
2012	238,624	37,860	276,484
Thereafter	115,116	18,109	133,225
	\$1,614,424	\$ 537,156	\$ 2,151,580

b) Capital leases - unsupported

	2007	2006
Apple Canada Inc. capital lease payable \$77,809 annually including interest at 1.9% per annum, due August, 2008; secured by computer equipment with a carrying value of \$186,867.	\$ 77,852	\$ 154,281
Less amount payable within one year	77,852	76,429
	\$ -	\$ 77,852

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. COMMITMENTS

a) Equipment lease

The School District is committed to the following minimum annual lease payments for photocopy equipment and premises pursuant to a lease expiring September, 2009 as follows:

2008	\$	136,000
2009		136,000
		<hr/>
		\$ 272,000

b) Building projects

The School District is committed to further capital expenditures for a new elementary school in Cold Lake of approximately \$2,692,468, of which \$2,231,831 was received by year end and \$460,637 is expected upon completion. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

c) Natural gas agency agreement

The School District has appointed Gas Alberta Energy as its agent in obtaining favourable natural gas pricing, thereby authorizing Gas Alberta Energy to enter into fixed price gas purchase contracts on the School District's behalf. The agreement may be terminated by either party given one month written notice.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

12. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

Government of Alberta:				
Education	\$ 374,429	\$ 234,271	\$17,100,030	\$ -
Finance	98,476	98,476	184,760	184,760
Human Resources/Employment	-	-	11,000	-
Other Gov't of Alberta Departments	32,811	-	42,662	-
Other:				
Post Secondary Institutions	-	-	-	2,031
Other related parties	-	-	-	-
Total 2006-2007	\$ 505,716	\$ 332,747	\$17,338,452	\$ 186,791
Total 2005-2006	\$ 366,035	\$ 365,901	\$16,756,715	\$ 220,007

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School District's primary source of income is from the Alberta Government. The School District's ability to continue viable operations is dependent on this funding.

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2007

14. REMUNERATION AND MONETARY INCENTIVES

The School District had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/ Other	Total	Expenses
Chairperson:								
V. Lefebvre	1.0	\$16,259					\$16,259	\$10,636
Other Board Members:								
M. Campeau	1.0	\$8,455					\$8,455	\$5,222
R. Gauthier	1.0	\$6,278					\$6,278	\$3,664
K. Kissel	1.0	\$5,657					\$5,657	\$1,270
R. Kleinmann	1.0	\$5,745					\$5,745	\$250
M. Penner	1.0	\$9,279					\$9,279	\$5,803
G. Zaplotinsky	1.0	\$5,854					\$5,854	\$4,285
Subtotal	7.0	\$57,527					\$57,527	\$31,130
Superintendent								
	1.0	\$136,517	\$8,092			\$6,826	\$151,435	\$7,055
Secretary/Treasurer								
	1.0	\$113,765	\$19,728			\$5,688	\$139,181	\$6,686
Certificated Salaries								
	118.7	\$8,795,526	\$1,031,568			\$5,936	\$9,833,030	
Uncertificated Salaries & Wages								
	106.8	\$2,940,810	\$782,459				\$3,723,269	
TOTALS		\$12,044,145	\$1,841,847			\$18,450	\$13,904,442	

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

16. FINANCIAL INSTRUMENTS

The School District's financial instruments consist of cash, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and accrued liabilities and long term debt. It is management's opinion that the School District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

Legal Name of School Jurisdiction

4810-46 STREET BONNYVILLE, ALBERTA T9N 2R2

Mailing Address

1-780-826-3764 1-780-826-7576

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Doug Ewanowich

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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2006-2007 Board and System Administration Expenses	
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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code 4105

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$17,100,884	\$13,783,414	\$1,912,266	\$158,610	\$923,505	\$323,089
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$184,780		\$184,780			\$0
(4) Other - Government of Alberta	\$52,837	\$12,085	\$39,970	\$0	\$772	\$0
(5) Federal Government and/or First Nations	\$393,278	\$369,661	\$0	\$0	\$23,597	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$50,771	\$50,771				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$102,265	\$68,722	\$102	\$0	\$36,441	\$0
(12) Investment income	\$204,054	\$191,811	\$0	\$0	\$12,243	\$0
(13) Gifts and donations	\$143,357	\$143,357	\$0	\$0		\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$445,330	\$445,330			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$631,272	\$27,634	\$603,638	\$0		\$0
(18) TOTAL REVENUES	\$19,308,808	\$15,089,615	\$2,740,736	\$158,610	\$996,558	\$323,089
EXPENSES						
(19) Certificated salaries	\$8,932,043	\$8,754,758			\$177,285	\$0
(20) Certificated benefits	\$1,052,422	\$1,027,938			\$24,486	\$0
(21) Non-certificated salaries and wages	\$3,112,102	\$2,100,463	\$658,206	\$0	\$353,433	\$0
(22) Non-certificated benefits	\$807,875	\$588,036	\$152,702	\$0	\$67,137	
(23) SUB - TOTAL	\$13,904,442	\$12,471,195	\$810,908	\$0	\$622,341	\$0
(24) Services, contracts & supplies	\$3,426,915	\$1,795,893	\$948,067	\$121,351	\$340,515	\$323,089
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$445,330	\$445,330				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$631,272	\$27,634	\$603,638	\$0	\$0	\$0
(28) Unsupported	\$188,068	\$87,699	\$85,352	\$0	\$25,017	\$0
(29) Total Amortization	\$829,340	\$115,333	\$688,990	\$0	\$25,017	\$0
Interest on capital debt						
(30) Supported	\$184,780	\$0	\$184,780	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$18,790,787	\$14,827,749	\$2,830,725	\$121,351	\$987,873	\$323,089
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$518,021	\$262,066	\$110,011	\$37,259	\$108,685	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

School Jurisdiction Code: _____ 0

	TOTAL
Base Funding	\$10,288,804
Additional Funding for Differential Cost Factors	\$5,168,854
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$696,458
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISI)	\$220,433
SuperNet Services	\$57,271
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$16,695
Regional Consortium and Regional Educational Consulting Services	\$323,088
Learning Resources Credit Allocation	\$18,753
Infrastructure Maintenance Renewal (IMR)	\$206,573
Other Funding from Alberta Education (describe) One-to-One Technology Initiative Grant	\$60,854
Total Alberta Education Revenues	\$17,100,884

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$708,352	\$386,646	\$50,024		\$0	\$0	\$1,147,025
Mild & Moderate Disabilities/Gifted & Talented (ECG-12)	\$47,407	\$186,286	\$13,114		\$0		\$246,817
ECS Program Unit (PUF)	\$581	\$184,257	\$52,088		\$0		\$236,887
Severe Disabilities (Gr 1-12)	\$238,281	\$1,136,968	\$42,857		\$0		\$1,418,128
English as a Second Language (ESL)	\$0	\$0	\$138		\$0		\$138
French Language & Francisation	\$100,054	\$0	\$17,708		\$0		\$117,822
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$65,803	\$12,487		\$0		\$78,300
Alberta Initiative for School Improvement	\$137,000	\$0	\$81,733	\$0	\$0		\$219,533
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$83,329		\$0		\$83,329
Class Size Initiative	\$642,183	\$54,285	\$0	\$0	\$0		\$696,458
Children and Youth with Complex Needs (CYC - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$7,812,819	\$682,281	\$1,330,423	\$111,840	\$0	\$980,663	\$10,603,314
TOTAL EXPENSES	\$8,787,537	\$2,688,588	\$1,683,952	\$111,840	\$0	\$980,663	\$14,827,748

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	6.8
ECS Program Unit (PUF)	0.0	9.0
Severe Disabilities (Gr 1-12)	3.0	41.3

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$18,790,787
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,127,447
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	1,998
	\$424,483
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,127,447
Less: 2006/2007 Board and System Administration expenses	-\$887,873
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$239,574

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$175,018																		
Sources of School Generated Funds:																			
	<table border="1"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td>\$276,425</td> <td>\$136,030</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td>\$221,691</td> <td>\$0</td> </tr> <tr> <td>Donations and grants to schools</td> <td>\$46,956</td> <td>\$0</td> </tr> <tr> <td>Other (describe)</td> <td>\$109,118</td> <td>\$3,792</td> </tr> <tr> <td>Net Additions to SGF</td> <td>\$654,190</td> <td>\$139,822</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$276,425	\$136,030	Student fees (Non-Instructional) (Note 1)	\$221,691	\$0	Donations and grants to schools	\$46,956	\$0	Other (describe)	\$109,118	\$3,792	Net Additions to SGF	\$654,190	\$139,822
Gross SGF	Related Expenses	Net SGF																	
Fundraising activities	\$276,425	\$136,030																	
Student fees (Non-Instructional) (Note 1)	\$221,691	\$0																	
Donations and grants to schools	\$46,956	\$0																	
Other (describe)	\$109,118	\$3,792																	
Net Additions to SGF	\$654,190	\$139,822																	
Net SGF Available	\$689,386																		
Uses of Net School Generated Funds:																			
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td>\$185,292</td> </tr> <tr> <td>School site beautification</td> <td>\$135</td> </tr> <tr> <td>Field Trips</td> <td>\$46,335</td> </tr> <tr> <td>Equipment</td> <td>\$11,050</td> </tr> <tr> <td>Family literacy and other community resources</td> <td>\$140</td> </tr> <tr> <td>Other (describe)</td> <td>\$202,378</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td>\$445,330</td> </tr> </tbody> </table>	Extra-curricular activities	\$185,292	School site beautification	\$135	Field Trips	\$46,335	Equipment	\$11,050	Family literacy and other community resources	\$140	Other (describe)	\$202,378	Total Uses of Net SGF (Note 2)	\$445,330				
Extra-curricular activities	\$185,292																		
School site beautification	\$135																		
Field Trips	\$46,335																		
Equipment	\$11,050																		
Family literacy and other community resources	\$140																		
Other (describe)	\$202,378																		
Total Uses of Net SGF (Note 2)	\$445,330																		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$244,056																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 80(2)(j) of the School Act and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.).</p>																			
Notes:																			
<p>1 Excludes fees collected pursuant to Section 80(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>																			
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>																			
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>																			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Lethbridge School District No. 51

Legal Name of School Jurisdiction

433 15th Street South, Lethbridge Alberta T1J 2Z5

Mailing Address

Ph: (403) 380-5303 Fax: (403) 320-9117

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Lethbridge School District No. 51 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gary Bartlett

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Barry Litun

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Don Lussier

Name

"ORIGINAL SIGNED"

Signature

November 27th, 2007

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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BDO Dunwoody LLP
Chartered Accountants
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AUDITORS' REPORT

To the Board of Trustees
Lethbridge School District No. 51

We have audited the statement of financial position of the Lethbridge School District No. 51 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta
November 2, 2007

BDO Dunwoody LLP

Chartered Accountants

School Jurisdiction Code: 3040

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007
(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$8,209,755	\$6,783,786
Accounts receivable (net after allowances)	\$1,869,780	\$1,271,281
Prepaid expenses	\$203,013	\$154,705
Other current assets	\$111,712	\$101,633
Total current assets	\$10,394,260	\$8,311,405
School generated assets	\$1,243,700	\$1,141,668
Trust assets	\$561,636	\$499,225
Long term accounts receivable	\$10,524	\$51,205
Long term investments	\$0	\$0
Capital assets		
Land	\$1,715,118	\$1,715,118
Buildings	\$68,184,123	
Less: accumulated amortization	(\$27,751,256)	
Equipment	\$1,933,454	
Less: accumulated amortization	(\$880,037)	
Vehicles	\$210,624	
Less: accumulated amortization	(\$130,873)	
Total capital assets	\$43,281,153	\$41,303,058
TOTAL ASSETS	\$55,491,273	\$51,306,561
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,685,256	\$2,989,659
Deferred revenue	\$2,713,073	\$1,039,299
Deferred capital allocations	\$619,822	\$1,555,537
Current portion of all long term debt	\$937,877	\$1,008,979
Total current liabilities	\$7,956,028	\$6,493,474
School generated liabilities	\$1,243,700	\$1,141,668
Trust liabilities	\$561,636	\$499,225
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$5,546,273	\$6,552,925
Less: Current portion of supported debt	(\$910,630)	(\$982,958)
Unsupported: Debentures and Capital Loans	\$751,198	\$777,217
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$27,247)	(\$26,021)
Other long term liabilities	\$14,369	\$55,986
Unamortized capital allocations	\$33,397,366	\$30,728,410
Total long term liabilities	\$40,576,665	\$38,746,452
TOTAL LIABILITIES	\$48,532,693	\$45,239,926
NET ASSETS		
Unrestricted net assets	\$387,782	\$295,394
Operating Reserves	\$2,345,191	\$1,752,132
Accumulated Operating Surplus (Deficit)	\$2,732,973	\$2,047,526
Investment in capital assets	\$3,586,317	\$3,244,506
Capital Reserves	\$839,290	\$774,603
Total Capital Funds	\$4,225,607	\$4,019,109
Total net assets	\$6,958,580	\$6,066,635
TOTAL LIABILITIES AND NET ASSETS	\$55,491,273	\$51,306,561

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

School Jurisdiction Code: 3040

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007
(in dollars)

	Actual 2007	Budget 2007 (Note) Revised	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$64,952,040	\$66,225,039	\$60,638,076
Federal Government and/or First Nations	\$334,912	\$312,870	\$347,615
Other Alberta school authorities	\$109,940	\$0	\$104,954
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$460,038	\$420,136	\$469,801
Transportation fees	\$0	\$0	\$0
Other sales and services	\$854,182	\$164,121	\$383,360
Investment income	\$359,606	\$125,000	\$252,177
Gifts and donations	\$0	\$0	\$15,917
Rentals of facilities	\$7,512	\$13,000	\$10,250
Net school generated funds	\$1,957,429	\$394,720	\$1,536,853
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,503,338	\$1,487,049	\$1,498,346
Total Revenues	\$70,538,997	\$69,141,935	\$65,257,349
EXPENSES			
Certificated salaries	\$34,895,266	\$34,518,881	\$33,657,160
Certificated benefits	\$5,217,986	\$5,157,994	\$4,476,102
Non-certificated salaries and wages	\$11,955,687	\$11,858,635	\$11,458,328
Non-certificated benefits	\$3,392,822	\$3,100,394	\$3,011,142
Services, contracts and supplies	\$9,752,428	\$12,189,802	\$8,718,639
Net school generated funds	\$1,957,429	\$394,720	\$1,536,853
Capital and debt services			
Amortization of capital assets			
Supported	\$1,503,338	\$1,487,049	\$1,498,346
Unsupported	\$261,698	\$210,451	\$172,931
Total Amortization of capital assets	\$1,765,036	\$1,697,500	\$1,671,277
Interest on capital debt			
Supported	\$675,111	\$730,000	\$790,202
Unsupported	\$35,287	\$0	\$33,414
Total Interest on capital debt	\$710,398	\$730,000	\$823,616
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$69,647,052	\$69,647,926	\$65,353,117
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$891,945	(\$505,991)	(\$95,768)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$891,945	(\$505,991)	(\$95,768)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

Revised Budget as presented to the Board in October 2006, based on September 30th enrollments, and July 2006 funding announcement

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$891,945	(\$95,768)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,503,338)	(\$1,498,346)
Total amortization expense	\$1,765,036	\$1,671,277
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$598,499)	\$1,580,310
Prepays and other current assets	(\$58,387)	\$47,730
Long term accounts receivable	\$40,681	(\$51,205)
Long term investments	\$0	\$0
Payables and accrued liabilities	\$795,597	(\$786,045)
Deferred revenue	\$1,673,774	(\$114,999)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe) Change in long term liability	(\$41,617)	\$55,986
Total sources (uses) of cash from Operations	\$2,985,192	\$808,940
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$3,633,789)	(\$2,375,848)
Equipment	(\$109,342)	(\$40,415)
Vehicles	\$0	(\$87,494)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from investing activities	(\$3,743,131)	(\$2,503,757)
C. FINANCING ACTIVITIES		
Capital allocations	\$2,229,926	\$2,026,397
Issue of long term debt	\$0	\$800,000
Repayment of long term debt	(\$1,032,671)	(\$1,120,875)
Add back: supported portion	\$1,006,653	\$1,098,093
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$2,203,908	\$2,803,615
Net sources (uses) of cash during year	\$1,425,969	\$1,108,798
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$6,783,786	\$5,674,988
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$8,209,755	\$6,783,786

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$6,066,635	\$3,244,506	\$295,394	\$1,752,132	\$774,603
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$6,066,635	\$3,244,506	\$295,394	\$1,752,132	\$774,603
Excess(def) of revenue over expenses	\$891,945		\$891,945		
Board funded capital transactions		\$577,490	(\$191,309)	(\$143,000)	(\$243,181)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,765,036)	\$1,765,036		
Amortization of capital allocations		\$1,503,338	(\$1,503,338)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$26,019	(\$26,019)		
Net transfers to operating reserves			(\$736,059)	\$736,059	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			(\$107,868)		\$107,868
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$6,958,580	\$3,586,317	\$387,782	\$2,345,191	\$639,290

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,555,537	\$30,728,410
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,555,537	\$30,728,410
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$2,189,386	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$40,540	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,006,653
Expended capital allocations - current year	(\$3,165,641)	\$3,165,641
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,503,338
Balance at August 31, 2007	\$619,822	\$33,397,366

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2007

1. AUTHORITY AND PURPOSE

Lethbridge School District No. 51 delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School District is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b) Inventory

Inventory is recorded as the lesser of cost and net realizable value.

c) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Capital Assets

Capital assets are recorded at cost. No amortization is taken in the year of acquisition. Amortization of the cost is calculated over estimated useful lives on a straight line basis at the following rates:

Buildings	25 - 40 years
Equipment	3 - 5 years
Vehicles	5 - 10 years

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as amortization expense.

e) School Generated Funds

These are funds which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

f) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

g) Contributed Services

Volunteers assist schools operated by the school jurisdiction in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Lethbridge School District No. 51 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$669,367 for the Year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported a deficit of \$ 746.6 million (deficit of \$863.5 million - 2005).

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

k) Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$ 948,023	\$ 225,456
Alberta Finance	318,535	378,631
Other Province of Alberta	55,527	60,827
Federal Government	248,899	225,759
Other Alberta School Jurisdictions	-	153,676
Other	261,193	188,423
Current portion of long term accounts receivable	37,603	38,509
	<u>\$ 1,869,780</u>	<u>\$ 1,271,281</u>

4. LONG TERM ACCOUNTS RECEIVABLE

	2007	2006
Employee Computer Purchase plan receivable	\$ 48,127	\$ 89,713
Receivable in one year	(37,603)	(38,509)
	<u>\$ 10,524</u>	<u>\$ 51,204</u>

The Employee Computer Purchase plan is a loan to employees for the purchase of computers. The loan is provided at 5.5% interest over 3 years.

Amounts receivable over the next two years:

2008	\$ 37,603
2009	10,524
	<u>\$ 48,127</u>

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2007

5. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$500,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing resolution and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007.

6. ACCOUNTS PAYABLE AND LIABILITIES

	2007	2006
Alberta Education	340,026	150,032
Alberta Finance	318,535	378,631
Federal Government	733,251	700,574
Other Trade Payables and Accrued Liabilities	2,251,790	1,620,948
Current Portion of Other Long Term Liabilities	41,654	39,474
	<u>\$ 3,685,256</u>	<u>\$ 2,889,659</u>

7. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Program (from AI&T)	\$ -	\$ 330,403
Infrastructure Maintenance Program (from Alberta Education)	2,355,158	514,914
Modernization (from AI&T)	41,919	113,974
Alberta Initiative for School Improvement (from Alberta Education)	75,860	45,266
Other	240,136	34,742
	<u>\$ 2,713,073</u>	<u>\$ 1,039,299</u>

8. TRUST ASSETS AND LIABILITIES

	2007	2006
Scholarship and Program Trusts	<u>\$ 561,636</u>	<u>\$ 499,215</u>

These balances represent cash that is held in trust by the jurisdiction.

9. LONG TERM DEBT

a) Debenture Debt -Supported

	2007	2006
Alberta Capital Finance Authority debenture debt, at interest rates from 8% to 12%, with various due dates. Security is represented by school buildings held by the jurisdiction.	\$ 5,546,273	\$ 6,552,925
Due within one year	(910,630)	(982,958)
	<u>\$ 4,635,643</u>	<u>\$ 5,569,967</u>

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2007

9. LONG TERM DEBT (continued)

Debenture payments due over the next five years and beyond are as follows:

2008	\$	910,630
2009		877,433
2010		869,433
2011		794,988
2012		464,628
Thereafter		<u>1,629,161</u>
	\$	<u>5,546,273</u>

b) Capital Loan - Unsupported

	<u>2007</u>	<u>2006</u>
Royal Bank of Canada, Five year term, renewable demand loan at fixed rate of interest at 4.61% over 5 year term, with principal and interest payment of \$5,109 per month.	\$ 751,198	\$ 777,217
	<u>(27,247)</u>	<u>(26,021)</u>
	<u>\$ 723,951</u>	<u>\$ 751,196</u>

Principal payments due over the next five years and beyond are as follows:

2008	\$	27,247
2009		28,530
2010		29,873
2011		31,280
2012		32,752
Thereafter		<u>574,269</u>
	\$	<u>723,951</u>

c) Other Long Term Liabilities

	<u>2007</u>	<u>2006</u>
Royal Bank of Canada, three year term, demand loan at fixed rate of interest at 5.30%, with principal and interest payments of \$3,628 per month.	\$ 56,023	\$ 95,460
	<u>(41,654)</u>	<u>(39,474)</u>
	<u>\$ 14,369</u>	<u>\$ 55,986</u>

Principal payments due over the next two years are as follows:

2008	\$	41,654
2009		<u>14,369</u>
	\$	<u>56,023</u>

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2007

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

12. COMMITMENTS

Building Projects

- The jurisdiction is committed to further Capital Expenditures for the building of a new West Lethbridge High School, in conjunction with the West Lethbridge Multi Use Facility project, of approximately \$28.6 million. Funding for this project will be provided by capital allocations from Alberta Education.
- The jurisdiction is committed to further Capital Expenditures for the modernization of Gilbert Paterson Middle School of approximately \$9.3 million. Funding for this project will be provided by capital allocations from Alberta Education.

13. CONTINGENCIES

- The jurisdiction is a member of the Urban Schools Insurance Consortium. Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by exchange. The jurisdiction's share of the pool at year end is \$216,193. (2006 - \$231,099).
- The jurisdiction is named in a personal injury claim. The action is currently being handled by the jurisdiction's Insurance provider.

14. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post secondary institutions and other school jurisdictions in Alberta.

2006-2007	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$948,023	\$2,771,044	\$63,655,551	\$0
Infrastructure and Transportation	\$48,127	\$41,919	\$402,458	\$0
Finance	\$318,535	\$5,864,808	\$675,111	\$0
Health and Wellness	\$0	\$0	\$0	\$0
Human Resources/Employment	\$7,400	\$0	\$168,516	\$0
Other Government of Alberta department	\$0	\$0	\$50,404	\$0
Other:				
Health authorities	\$0	\$0	\$0	\$9,638
Post-secondary institutions	\$0	\$6,917	\$211,132	\$19,013
Other Alberta School Jurisdictions	\$0	\$7,872	\$109,940	\$79,918
Other related parties	\$0	\$0	\$0	\$675,111
Total 2006-2007	\$1,322,085	\$8,692,660	\$65,273,112	\$783,680
Total 2005-2006	\$786,135	\$8,121,365	\$60,881,647	\$971,946

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2007

15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction management with Board of Trustees approval given on May 30th 2006, and revised and approved on November 28th 2006. It is presented for information purposes only and has not been audited.

17. REMUNERATION AND MONETARY INCENTIVES

Lethbridge School District No. 51 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/Other	Total	Expenses
Maureen Calder - Chair	1.00	\$9,471	\$419	\$4,284			\$14,174	\$3,591
Patricia Aitchison	1.00	\$6,681	\$267	\$3,340			\$10,288	\$2,277
Brian Carlson	1.00	\$7,721	\$267	\$3,340			\$11,328	\$3,917
Tyler Demers	1.00	\$6,941	\$282	\$3,470			\$10,693	\$5,148
Keith Fowler	1.00	\$7,678	\$328	\$3,638			\$11,644	\$6,740
Terry Morris	1.00	\$6,997	\$83	\$3,449			\$10,429	\$4,697
Lee Switzer	1.00	\$6,681	\$267	\$3,340			\$10,288	\$1,882
Subtotal	7.00	\$52,079	\$1,913	\$25,061	\$0	\$0	\$79,044	\$28,242
Barry Litun - Superintendent	1.00	\$140,000	\$13,726	\$4,500			\$158,226	\$10,628
Don Lussier - Secretary Treasurer	1.00	\$123,670	\$22,282	\$4,500			\$150,452	\$9,927
Certificated Teachers	474.94	\$34,714,100	\$5,204,280	\$36,886			\$39,955,026	
Non-certificated - Other	366.97	\$11,719,266	\$3,368,627	\$31,120			\$15,119,013	
TOTALS	850.91	\$48,749,106	\$8,610,808	\$101,847	\$0	\$0	\$65,461,761	\$48,797

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Lethbridge School District No. 51

Legal Name of School Jurisdiction

433 15th Street South, Lethbridge Alberta T1J 2Z5

Mailing Address

Ph: (403) 380-5303 Fax: (403) 320-9117

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Don Lussier

Name

"ORIGINAL SIGNED"

Signature

27-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T5J 4L6
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8886

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SCHEDULE A

School Jurisdiction Code: 3040

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$63,655,551	\$52,630,068	\$7,114,122	\$1,523,536	\$2,387,825	\$0
(2) Alberta Infrastructure & Transportation	\$402,458	\$0	\$402,458			
(3) Alberta Finance	\$675,111		\$675,111			\$0
(4) Other - Government of Alberta	\$218,920	\$218,920	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$334,912	\$334,912	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$109,940	\$109,940	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$460,038	\$460,038				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$854,182	\$854,182	\$0	\$0	\$0	\$0
(12) Investment income	\$359,606	\$336,067	\$9,239	\$0	\$14,300	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$7,512	\$0	\$7,512	\$0	\$0	\$0
(15) Net school generated funds	\$1,957,429	\$1,957,429			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,503,338	\$88,245	\$1,415,093	\$0		\$0
(18) TOTAL REVENUES	\$70,538,997	\$56,989,801	\$9,623,535	\$1,523,536	\$2,402,125	\$0
EXPENSES						
(19) Certificated salaries	\$34,895,296	\$34,440,305			\$454,961	\$0
(20) Certificated benefits	\$5,217,986	\$5,150,421			\$67,565	\$0
(21) Non-certificated salaries and wages	\$11,955,687	\$8,201,659	\$2,684,068	\$140,241	\$929,719	\$0
(22) Non-certificated benefits	\$3,392,822	\$2,420,224	\$704,583	\$18,373	\$249,642	\$0
(23) SUB - TOTAL	\$55,461,761	\$50,212,609	\$3,388,651	\$158,614	\$1,701,887	\$0
(24) Services, contracts & supplies	\$9,752,428	\$4,180,720	\$3,791,341	\$1,313,719	\$466,648	\$0
(25) Cost recoveries between programs	\$0	\$7,373	\$0	\$0	(\$7,373)	\$0
(26) Net school generated funds	\$1,957,429	\$1,957,429				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,503,338	\$88,245	\$1,415,093	\$0	\$0	\$0
(28) Unsupported	\$261,698	\$98,898	\$27,972	\$0	\$134,828	\$0
(29) Total Amortization	\$1,765,036	\$187,143	\$1,443,065	\$0	\$134,828	\$0
Interest on capital debt						
(30) Supported	\$675,111	\$0	\$675,111	\$0	\$0	\$0
(31) Unsupported	\$35,287	\$0	\$0	\$0	\$35,287	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$69,647,052	\$56,545,274	\$9,298,168	\$1,472,333	\$2,331,277	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$891,945	\$444,527	\$325,367	\$51,203	\$70,848	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$41,052,499
Additional Funding for Differential Cost Factors	\$15,866,205
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$3,898,681
Student Health Initiative (SHI)	\$320,303
Alberta Initiative for School Improvement (AISi)	\$916,233
SuperNet Services	\$138,968
Children and Youth with Complex Needs	\$34,018
Other Provincial Support Funding	
Institutional Programs	\$387,013
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$73,149
Infrastructure Maintenance Renewal (IMR)	\$913,438
Other Funding from Alberta Education (describe) Pervasive disorders grant, PASI Grant	\$55,047
Total Alberta Education Revenues	\$63,655,551

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$2,731,783	\$3,354,215	\$748,381		\$0	\$0	\$6,832,379
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$2,198,875	\$519,231	\$6,598		\$0		\$2,724,695
ECS Program Unit (PUF)	\$0	\$654,333	\$116,418		\$0		\$770,749
Severe Disabilities (Gr 1-12)	\$0	\$4,517,107	\$39,559		\$0		\$4,556,666
English as a Second Language (ESL)	\$0	\$97,248	\$0		\$0		\$97,248
French Language & Francisation	\$82,597	\$0	\$0		\$0		\$82,597
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$61,307	\$0		\$0		\$61,307
First Nations, Metis and Inuit Education	\$0	\$379,898	\$13,823		\$0		\$393,721
Alberta Initiative for School Improvement	\$514,580	\$361,808	\$39,835	\$0			\$916,233
Student Health Initiative	\$185,848	\$145,281	\$2,000		\$7,373		\$320,303
SuperNet Service			\$183,543		\$0		\$183,543
Class Size Initiative	\$3,898,681	\$0	\$0	\$0			\$3,898,681
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$5,995	\$22,158		\$0		\$28,153
All Other Student Instruction Expenses (ECS - Gr 12)	\$29,787,419	\$525,480	\$2,728,506	\$259,928	\$0	\$188,039	\$35,898,999
TOTAL EXPENSES	\$39,379,594	\$10,821,883	\$3,878,810	\$259,928	\$7,373	\$188,039	\$56,545,274

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	25.8	11.8
ECS Program Unit (PUF)	0.0	16.0
Severe Disabilities (Gr 1-12)	0.0	132.1

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$49,647,062
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,785,882
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,785,882
Less: 2006/2007 Board and System Administration expenses	-\$2,331,277
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$454,605

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$1,141,668		
Sources of School Generated Funds:			
	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$2,820,410	\$1,230,434	\$1,589,976
Student fees (Non-instructional) (Note 1)	\$323,478	\$82,189	\$241,289
Donations and grants to schools	\$211,405	\$37,487	\$173,918
Other (describe)	\$91,609	\$37,331	\$54,278
Net Additions to SGF	\$3,446,902	\$1,387,441	\$2,059,461
Net SGF Available			\$3,201,129
Uses of Net School Generated Funds:			
Extra-curricular activities			\$1,634,721
School site beautification			\$5,770
Field Trips			\$231,024
Equipment			\$6,510
Family literacy and other community resources			\$7,132
Other (describe)			\$72,272
Total Uses of Net SGF (Note 2)			\$1,957,429
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)			\$1,243,700
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>			
Notes:			
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>			
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>			
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Living Waters Catholic Regional Division No. 42

Legal Name of School Jurisdiction

Box 1949 Whitecourt, AB T7S 1P6

Mailing Address

Phone (780) 778-5666 Fax (780) 778-2727

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Living Waters Catholic Regional Division No. 42
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gemma Christie

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Carol Lemay

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

David Quick

Name

"ORIGINAL SIGNED"

Signature

26-Nov-07

Board-approved Release Date

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Kenneth R. Ferguson Professional Corporation

Box 569
Whitecourt, Alberta
T7S 1N6

Telephone: (780) 778-3981
Fax: (780) 778-6226
Email: krfpc@telus.net

AUDITOR'S REPORT

To the Trustees of:
Living Waters Catholic Regional Division No. 42

I have audited the statement of financial position of Living Waters Catholic Regional Division No. 42 as at August 31, 2007 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the regional division's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Ken Ferguson

Whitecourt, Alberta
October 30, 2007

CHARTERED ACCOUNTANT

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$9,538,529	\$3,115,940
Accounts receivable (net after allowances)	\$405,828	\$752,012
Prepaid expenses	\$38,988	\$92,876
Other current assets	\$144	\$144
Total current assets	\$9,983,569	\$3,960,972
School generated assets	\$352,117	\$318,301
Trust assets	\$93,989	\$65,599
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$725,852	\$725,852
Buildings	\$30,710,437	
Less: accumulated amortization	(\$15,801,126)	\$14,909,311
Equipment	\$2,593,582	
Less: accumulated amortization	(\$2,453,383)	\$140,200
Vehicles	\$12,305	
Less: accumulated amortization	(\$9,844)	\$2,461
Total capital assets	\$15,777,825	\$15,042,925
TOTAL ASSETS	\$26,207,499	\$19,387,797
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$812,369	\$433,585
Deferred revenue	\$309,462	\$159,524
Deferred capital allocations	\$5,967,804	\$0
Current portion of all long term debt	\$433,515	\$506,515
Total current liabilities	\$7,523,150	\$1,099,624
School generated liabilities	\$352,117	\$318,301
Trust liabilities	\$93,989	\$65,599
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$2,764,668	\$3,271,184
Less: Current portion of supported debt	(\$433,515)	(\$506,515)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$10,969,535	\$9,773,792
Total long term liabilities	\$13,746,793	\$12,922,361
TOTAL LIABILITIES	\$21,269,944	\$14,021,985
NET ASSETS		
Unrestricted net assets	\$280,306	\$259,210
Operating Reserves	\$2,519,136	\$2,978,083
Accumulated Operating Surplus (Deficit)	\$2,799,444	\$3,237,273
Investment in capital assets	\$2,043,629	\$1,997,953
Capital Reserves	\$94,490	\$130,590
Total Capital Funds	\$2,138,119	\$2,128,543
Total net assets	\$4,937,563	\$5,365,816
TOTAL LIABILITIES AND NET ASSETS	\$26,207,507	\$19,387,801

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$15,120,242	\$13,806,543	\$17,241,139
Federal Government and/or First Nations	\$20,270	\$0	\$29,531
Other Alberta school authorities		\$0	\$0
Out of province authorities		\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)		\$0	\$0
Instruction resource fees	\$15,555	\$10,000	\$11,878
Transportation fees	\$19,989	\$16,000	\$18,565
Other sales and services	\$20,546	\$0	\$19,155
Investment income	\$163,733	\$32,000	\$63,986
Gifts and donations	\$0	\$0	\$295
Rentals of facilities		\$0	\$0
Net school generated funds	\$337,041	\$300,000	\$458,884
Gains on disposal of capital assets		\$0	\$0
Amortization of capital allocations	\$1,063,540	\$1,038,651	\$1,049,049
Total Revenues	\$16,760,916	\$15,203,194	\$18,892,482
EXPENSES			
Certificated salaries	\$8,014,657	\$7,659,564	\$7,630,643
Certificated benefits	\$974,720	\$900,551	\$924,036
Non-certificated salaries and wages	\$2,308,741	\$2,174,164	\$2,246,943
Non-certificated benefits	\$569,057	\$447,061	\$532,405
Services, contracts and supplies	\$3,566,692	\$2,333,674	\$3,726,933
Net school generated funds	\$337,041	\$300,000	\$458,884
Capital and debt services			
Amortization of capital assets			
Supported	\$1,063,540	\$1,038,651	\$1,049,049
Unsupported	\$33,351	\$28,069	\$37,780
Total Amortization of capital assets	\$1,096,891	\$1,066,720	\$1,086,809
Interest on capital debt			
Supported	\$321,370	\$321,460	\$374,572
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$321,370	\$321,460	\$374,572
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$17,189,189	\$15,203,194	\$16,981,225
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$428,253)	\$0	\$1,911,257
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$428,253)	\$0	\$1,911,257

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	(\$428,253)	\$1,911,257
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,063,540)	(\$1,049,049)
Total amortization expense	\$1,096,891	\$1,086,809
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$346,084	\$954,452
Prepays and other current assets	\$53,908	(\$64,320)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$378,784	(\$604,736)
Deferred revenue	\$149,938	(\$291,788)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$533,812	\$1,942,625
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$2,017,951)	(\$622,221)
Equipment	(\$42,927)	(\$14,103)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe) Loss on Disposal of Modular Buildings	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$2,060,878)	(\$636,324)
C. FINANCING ACTIVITIES		
Capital allocations	\$7,949,655	\$448,218
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$506,516)	(\$882,441)
Add back: supported portion	\$506,515	\$506,515
Other (describe)	\$0	(\$238,046)
Total sources (uses) of cash from Financing activities	\$7,949,655	(\$165,754)
Net sources (uses) of cash during year	\$6,422,588	\$1,140,547
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$3,115,940	\$1,975,393
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$9,538,529	\$3,115,940

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$5,365,816	\$1,997,953	\$259,210	\$2,978,063	\$130,590
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$5,365,816	\$1,997,953	\$259,210	\$2,978,063	\$130,590
Excess(def) of revenue over expenses	(\$428,253)		(\$428,253)		
Board funded capital transactions		\$79,027	\$0	(\$42,927)	(\$36,100)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,096,891)	\$1,096,891		
Amortization of capital allocations		\$1,063,540	(\$1,063,540)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$416,000	(\$416,000)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$4,937,563	\$2,043,629	\$280,308	\$2,519,136	\$94,490

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$9,773,792
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$9,773,792
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$7,861,119	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$88,536	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$506,515
Expended capital allocations - current year	(\$1,981,851)	\$1,981,851
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$229,084
Capital allocations amortized to revenue		\$1,063,540
Balance at August 31, 2007	\$5,967,804	\$10,969,535

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.



Living Waters Catholic Schools

REGIONAL DIVISION No.42

NOTES TO FINANCIAL STATEMENTS

Living Waters Catholic Regional Division No. 42

August 31, 2007

AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

1. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

2. Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings (masonry construction)	25 Years
Buildings (frame construction)	40 Years
Vehicles & Buses	5 Years
Equipment	5 Years

Assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

3. School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

4. Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

5. Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Living Waters Catholic Regional Division No. 42 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$ 24,224 for the year ended August 31, 2006 and 26,661 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

6. Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

7. Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

8. Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

9. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

10. Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000-2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

11. Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

2. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$14,926	\$402,169
Federal Government	103,619	74,650
Alberta Municipalities	211,533	193,187
Other Alberta School Jurisdictions	1,309	12,571
Other	74,541	69,434
Total	\$405,928	\$752,011

3. BANK INDEBTEDNESS

The jurisdiction has opportunity to negotiate a line of credit, if required, that bears interest at the bank prime rate less 0.5%. There was no balance outstanding on any line of credit at August 31, 2007.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
Alberta Education	\$ 205,585	\$ 205,394
Alberta Finance	0	0
Federal Government	0	0
Other Alberta School Jurisdictions	0	0
Other Trade Payables and Accrued Liabilities	606,784	228,191
Total	\$812,369	\$ 433,585

5. DEFERRED REVENUE

	2007	2006
Technology Integration Funding	\$ 0	\$ 461
Block Modernization	22,845	22,845
IMR (from Education) (IMP/BQRP)	239,390	67,007
Classroom Resource Grant	0	10,516
Class Size Funding	1,531	30,917
Other	11,542	11,642
Alberta Initiative for School Improvement (from Education)	34,154	16,136
Total	\$ 309,462	\$ 159,524

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Deferred Salary Leave Plan	\$ 90,872	\$ 59,637
Scholarship Trusts	3,117	5,962
Total	\$ 93,989	\$ 65,599

7. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	\$ 433,515	\$ 268,168	\$ 701,683
2008-2009	338,148	223,726	561,874
2009-2010	272,333	190,148	462,481
2010-2011	249,910	163,700	413,610
2011-2012	249,910	139,606	389,516
2012 to maturity	1,220,852	368,586	1,589,438
Total	\$ 2,764,668	\$ 1,353,933	\$ 4,118,602

b) Capital Leases – Unsupported

Currently, there is no capital leases held by the jurisdiction.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. COMMITMENTS

- a) Building Projects: The jurisdiction is committed to further capital expenditures for the modular additions at Vanier Community Catholic School of approximately \$230,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

11. CONTINGENCIES

- a) The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

12. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

Government of Alberta:	INCOME STATEMENT		BALANCE SHEET	
	2006-07 REVENUES	2006-07 EXPENSES	2006-07 ASSETS	2006-07 LIABILITIES
Alberta Learning	\$ 14,795,919	\$ 0	\$14,926	\$ 6,173,436
Infrastructure	0	0	0	0
Finance	321,370	0	0	0
Other Gov't of Alberta	2,954	472,803	211,533	0
TOTAL 2006-2007	\$ 15,120,243	\$ 472,803	\$ 226,459	\$ 6,173,436

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The 2006-2007 Budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 30, 2006. It is presented for information purposes only and has not been audited.

15. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

16. PRIOR PERIOD ADJUSTMENTS

There were no prior period adjustments in 2006-2007 School Year.

17. REMUNERATION AND MONETARY INCENTIVES

The Living Waters Catholic Regional Division No. 42 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair							
Camie Joly	1.0	\$13,613	\$455	\$0			\$8,110
Other members							
Paul Chauvet	1.0	\$4,186	\$139	\$0			\$2,325
Gemma Christie	1.0	\$11,056	\$335	\$0			\$9,603
Kathleen Herndon	1.0	\$6,757	\$68	\$0			\$4,035
Peggy Robinson	1.0	\$12,675	\$373	\$0			\$7,271
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
Subtotal	5.0	\$48,287	\$1,369	\$0			\$31,344
Superintendent							
Carol Lemay	1.0	\$138,414	\$11,392	\$0	\$0	\$0	\$26,320
Secretary/Treasurer							
Niela World	0.6	\$67,225	\$13,612	\$0	\$0	\$0	\$5,582
James Reichenbacher	0.4	\$40,962	\$9,821	\$0	\$0	\$0	\$7,040
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers							
	102.8	\$7,876,243	\$963,328	\$0	\$0	\$0	
Non-certificated - Other							
	121.0	\$2,152,267	\$544,255	\$0	\$0	\$0	
TOTALS		\$10,323,399	\$1,543,778	\$0	\$0	\$0	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Living Waters Catholic Regional Division No. 42

Legal Name of School Jurisdiction

Box 1949 Whitecourt, AB T7S 1P6

Mailing Address

Phone (780) 778-5666 Fax (780) 778-2727

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Carol Lemay

Name

"ORIGINAL SIGNED"

Signature

26-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 423-6998

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 0047

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$14,795,919	\$11,661,470	\$2,036,661	\$143,994	\$953,793	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$321,370		\$321,370			\$0
(4) Other - Government of Alberta	\$2,954	\$0	\$0	\$0	\$2,954	\$0
(5) Federal Government and/or First Nations	\$20,270	\$20,270	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$15,555	\$15,555				
(10) Transportation fees	\$19,989			\$19,989		
(11) Other sales and services	\$20,546	\$20,546	\$0	\$0	\$0	\$0
(12) Investment income	\$163,733	\$113,733	\$20,000	\$0	\$30,000	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$337,041	\$337,041			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,063,540	\$0	\$1,063,540	\$0		\$0
(18) TOTAL REVENUES	\$18,780,916	\$12,168,615	\$3,441,571	\$163,983	\$986,747	\$0
EXPENSES						
(19) Certificated salaries	\$8,014,657	\$7,876,243			\$138,414	\$0
(20) Certificated benefits	\$974,720	\$960,457			\$14,262	\$0
(21) Non-certificated salaries and wages	\$2,308,741	\$1,369,533	\$589,495	\$10,124	\$339,589	\$0
(22) Non-certificated benefits	\$569,057	\$377,625	\$127,298	\$0	\$64,135	\$0
(23) SUB - TOTAL	\$11,867,176	\$10,583,858	\$716,793	\$10,124	\$556,401	\$0
(24) Services, contracts & supplies	\$3,566,691	\$1,748,945	\$1,260,221	\$152,593	\$404,932	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$337,041	\$337,041				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,063,540	\$0	\$1,063,540	\$0	\$0	\$0
(28) Unsupported	\$33,351	\$13,213	\$10,000	\$0	\$10,138	\$0
(29) Total Amortization	\$1,096,891	\$13,213	\$1,073,540	\$0	\$10,138	\$0
Interest on capital debt						
(30) Supported	\$321,370	\$0	\$321,370	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$17,189,168	\$12,683,057	\$3,371,924	\$162,717	\$971,471	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$428,252)	(\$514,442)	\$69,647	\$1,265	\$15,276	\$0

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$9,231,107
Additional Funding for Differential Cost Factors	\$4,353,217
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$552,683
Student Health Initiative (SHI)	\$383
Alberta Initiative for School Improvement (AIS)	\$207,262
SuperNet Services	\$32,526
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$23,733
Infrastructure Maintenance Renewal (IMR)	\$395,007
Other Funding from Alberta Education (describe)	(\$0)
Total Alberta Education Revenues	\$14,795,919

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$990,480	\$435,872	\$1,314,823		\$0	\$350,254	\$3,091,229
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$846,482	\$251,806	\$14,042		\$0		\$1,112,330
ECS Program Unit (PUF)		\$22,348	\$0		\$0		\$22,348
Severe Disabilities (Gr 1-12)	\$533,468	\$676,128	\$139,737		\$0		\$1,349,333
English as a Second Language (ESL)	\$38,132	\$0	\$0		\$0		\$38,132
French Language & Francisation	\$476,012	\$11,522	\$7,141		\$0		\$494,675
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$196,770	\$86,383	\$1,767		\$0		\$284,921
Alberta Initiative for School Improvement	\$137,586	\$51,045	\$18,632	\$0	\$0		\$207,262
Student Health Initiative	\$0	\$0	\$383		\$0		\$383
SuperNet Service			\$32,526		\$0		\$32,526
Class Size Initiative	\$552,683	\$0	\$0	\$0	\$0		\$552,683
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$4,985,108	\$212,254	\$86,508	\$123,586	\$0	\$0	\$5,397,456
TOTAL EXPENSES	\$8,836,700	\$1,747,158	\$1,625,359	\$123,586	\$0	\$350,254	\$12,683,057

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	10.4	5.9
ECS Program Unit (PUF)	0.0	3.2
Severe Disabilities (Gr 1-12)	6.3	25.2

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	\$17,189,168
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,031,350
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrolment	1,803
	\$424,483
2006-2007 MAXIMUM EXPENSE LIMIT	\$1,031,350
Less: 2006/2007 Board and System Administration expenses	-\$971,471
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$59,880

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006	\$318,302																		
Sources of School Generated Funds:																			
	<table border="1"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td>\$269,843</td> <td>\$247,437</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td>\$94,286</td> <td>\$0</td> </tr> <tr> <td>Donations and grants to schools</td> <td>\$70,022</td> <td>\$0</td> </tr> <tr> <td>Other (describe): Grad, interest, field trips</td> <td>\$357,308</td> <td>\$172,966</td> </tr> <tr> <td>Net Additions to SGF</td> <td>\$791,259</td> <td>\$420,403</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$269,843	\$247,437	Student fees (Non-Instructional) (Note 1)	\$94,286	\$0	Donations and grants to schools	\$70,022	\$0	Other (describe): Grad, interest, field trips	\$357,308	\$172,966	Net Additions to SGF	\$791,259	\$420,403
Gross SGF	Related Expenses	Net SGF																	
Fundraising activities	\$269,843	\$247,437																	
Student fees (Non-Instructional) (Note 1)	\$94,286	\$0																	
Donations and grants to schools	\$70,022	\$0																	
Other (describe): Grad, interest, field trips	\$357,308	\$172,966																	
Net Additions to SGF	\$791,259	\$420,403																	
Net SGF Available	\$689,158																		
Uses of Net School Generated Funds:																			
Extra-curricular activities	\$0																		
School site beautification	\$0																		
Field Trips	\$28,444																		
Equipment	\$0																		
Family literacy and other community resources	\$0																		
Other (describe): School Fees, general Expenses, Scholarships, Graduations	\$308,597																		
Total Uses of Net SGF (Note 2)	\$337,041																		
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$352,117																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																			

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

Legal Name of School Jurisdiction

P.O. Box 69, Claresholm, Alberta T0L 0T0

Mailing Address

(403) 625-3356 (phone) (403) 625-2424 (fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of LIVINGSTONE RANGE SCHOOL DIVISION NO. 68
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Jim Burdett

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Ellie Elliott

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Don Olsen

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10166-102 Street, Edmonton AB T5J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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AUDITORS' REPORT

To the Board of Trustees of the
Livingstone Range School Division No. 68

We have audited the statement of financial position of the Livingstone Range School Division No. 68 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

October 30, 2007

Young Parkyn McNab LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

		2007	2006 (Note)
ASSETS			
Current assets			
Cash and temporary investments		\$7,046,013	\$6,525,379
Accounts receivable (net after allowances)		\$1,848,115	\$842,254
Prepaid expenses		\$39,337	\$45,723
Other current assets		\$217,942	\$258,595
Total current assets		\$9,151,407	\$7,771,951
School generated assets		\$1,026,410	\$951,596
Trust assets			
Long term accounts receivable		\$41,387	\$5
Long term investments		\$2,696,258	\$0
Capital assets			
Land		\$1,158,361	\$1,158,361
Buildings	\$50,828,598		
Less: accumulated amortization	(\$26,574,296)	\$24,254,302	\$25,975,873
Equipment	\$873,340		
Less: accumulated amortization	(\$486,343)	\$386,997	\$461,005
Vehicles	\$4,784,709		
Less: accumulated amortization	(\$2,851,407)	\$1,933,302	\$1,856,669
Total capital assets		\$27,732,962	\$29,451,908
TOTAL ASSETS		\$40,648,424	\$38,175,460
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities		\$1,445,860	\$1,197,850
Deferred revenue		\$2,400,658	\$2,383,677
Deferred capital allocations		\$448,390	\$785,448
Current portion of all long term debt		\$370,438	\$421,420
Total current liabilities		\$4,665,346	\$4,788,395
School generated liabilities		\$1,026,410	\$951,596
Trust liabilities		\$41,387	\$5
Employee future benefits liability		\$0	\$0
Long term payables and accrued liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt		\$1,869,018	\$2,290,438
Less: Current portion of supported debt		(\$370,438)	(\$421,420)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion of unsupported debt		\$0	\$0
Other long term liabilities		\$2,688,978	\$0
Unamortized capital allocations		\$21,115,763	\$22,327,172
Total long term liabilities		\$26,371,118	\$25,147,791
TOTAL LIABILITIES		\$31,036,464	\$29,936,186
NET ASSETS			
Unrestricted net assets		\$1,728,670	\$1,233,571
Operating Reserves		\$3,135,109	\$2,171,404
Accumulated Operating Surplus (Deficit)		\$4,863,779	\$3,404,975
Investment in capital assets		\$4,748,181	\$4,834,299
Capital Reserves		\$0	\$0
Total Capital Funds		\$4,748,181	\$4,834,299
Total net assets		\$9,611,960	\$8,239,274
TOTAL LIABILITIES AND NET ASSETS		\$40,648,424	\$38,175,460

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$37,065,670	\$35,093,596	\$35,885,552
Federal Government and/or First Nations	\$2,444,653	\$2,196,923	\$2,444,116
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$188,441	\$186,576	\$202,374
Transportation fees	\$0	\$0	\$0
Other sales and services	\$1,015,568	\$520,400	\$907,267
Investment income	\$236,876	\$25,000	\$107,278
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$60,706	\$42,500	\$55,331
Net school generated funds	\$959,864	\$1,000,000	\$1,141,000
Gains on disposal of capital assets	\$1,930	\$0	\$12,057
Amortization of capital allocations	\$1,690,633	\$1,700,000	\$1,720,133
Total Revenues	\$43,664,341	\$40,764,997	\$42,475,108
EXPENSES			
Certificated salaries	\$19,319,361	\$19,120,801	\$18,620,358
Certificated benefits	\$2,324,123	\$2,221,269	\$2,297,273
Non-certificated salaries and wages	\$7,233,795	\$6,699,266	\$7,224,826
Non-certificated benefits	\$1,413,900	\$1,438,744	\$1,400,408
Services, contracts and supplies	\$8,534,396	\$7,783,457	\$7,996,874
Net school generated funds	\$959,864	\$1,000,000	\$1,141,000
Capital and debt services			
Amortization of capital assets			
Supported	\$1,690,633	\$1,720,133	\$1,720,133
Unsupported	\$542,720	\$545,108	\$522,555
Total Amortization of capital assets	\$2,233,353	\$2,265,241	\$2,242,688
Interest on capital debt			
Supported	\$230,303	\$231,076	\$275,859
Unsupported	\$0	\$0	\$0
Total interest on capital debt	\$230,303	\$231,076	\$275,859
Other interest charges	\$2,398	\$3,000	\$709
Losses on disposal of capital assets	\$40,162	\$0	\$20,599
Total Expenses	\$42,291,655	\$40,762,854	\$41,420,594
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,372,686	\$2,143	\$1,054,514
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,372,686	\$2,143	\$1,054,514

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,372,686	\$1,054,514
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,690,633)	(\$1,720,133)
Total amortization expense	\$2,233,353	\$2,242,688
Gains on disposal of capital assets	(\$1,930)	(\$12,057)
Losses on disposal of capital assets	\$40,162	\$20,599
Changes in accrued accounts:		
Accounts receivable	(\$905,861)	\$1,205,768
Prepays and other current assets	\$47,039	(\$71,222)
Long term accounts receivable	\$0	\$0
Long term investments	(\$2,696,258)	\$0
Payables and accrued liabilities	\$248,010	\$396,975
Deferred revenue	\$16,981	(\$681,463)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe) Other long term liabilities	\$2,688,978	\$0
Total sources (uses) of cash from Operations	\$1,352,527	\$2,435,669
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$57,805)	(\$35,192)
Equipment	(\$75,424)	(\$125,347)
Vehicles	(\$469,765)	(\$447,231)
Net proceeds from disposal of capital assets	\$50,355	\$106,720
Other (describe) Capital contribution to windpower project	(\$288,704)	\$0
Total sources (uses) of cash from Investing activities	(\$841,343)	(\$501,050)
C. FINANCING ACTIVITIES		
Capital allocations	\$9,450	\$9,284
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$421,420)	(\$439,246)
Add back: supported portion	\$421,420	\$439,246
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$9,450	\$9,284
Net sources (uses) of cash during year	\$520,634	\$1,943,903
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$6,525,379	\$4,581,476
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$7,046,013	\$6,525,379

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$8,239,274	\$4,834,299	\$1,233,571	\$2,171,404	\$0
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$8,239,274	\$4,834,299	\$1,233,571	\$2,171,404	\$0
Excess(def) of revenue over expenses	\$1,372,686		\$1,372,686		
Board funded capital transactions		\$545,189	(\$494,834)		(\$50,355)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,233,353)	\$2,233,353		
Amortization of capital allocations		\$1,690,633	(\$1,690,633)		
Disposal of unsupported capital assets	\$0	(\$88,587)	\$38,232		\$50,355
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,125,668)	\$1,125,668	
Net transfers from operating reserves			\$161,963	(\$161,963)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$9,611,960	\$4,748,181	\$1,728,670	\$3,135,109	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$785,448	\$22,327,172
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$785,448	\$22,327,172
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$9,450	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$421,420
Expended capital allocations - current year	(\$57,804)	\$57,804
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$288,704	\$0
Capital allocations amortized to revenue		\$1,690,633
Balance at August 31, 2007	\$448,390	\$21,115,763

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2007

1) Authority and purpose

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2) Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant policies being as follows:

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocation are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Investments

Temporary investments are valued at cost. Accrued interest on these investments is recorded as it is earned. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

Inventories

Inventories are recorded at the lesser of cost and net realizable value. Cost is determined on the basis of most recent invoice cost.

Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5 to 10%
Equipment and furnishings	10% and 20%
Vehicles and buses	10% and 20%

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68
NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007

2. Summary of significant accounting policies (continued)

Capital assets (continued)

Only capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$304,545 for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

Measurement uncertainty

The financial statements by their nature, contain estimates and are subject to measurement uncertainty. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided based on management's best information available at the time. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan expenses are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2007

2. Summary of significant accounting policies (continued)

Financial instruments

The jurisdiction=s financial instruments consist of cash and temporary investments, accounts receivable, long term investment, accounts payable, accrued liabilities, long-term debt, and other long-term liabilities. It is management=s opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs.

3. Temporary investments

Temporary investments consist of redeemable term investments with the Bank of Montreal in the amount of \$2,293,356 (2006 - \$2,717,841), bear interest at rates ranging from prime minus 2.10% to prime minus 2.5%, and mature throughout the year.

4. Long term investment

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 towards the project, with Livingstone Range School Divisions contributions totalling \$1,397,120. This investment will be repaid over 20 years including interest at 5%. The principal amount outstanding at year end is \$2,696,258.

Principal repayments in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2008	\$ 84,948	\$ 132,883	\$ 217,831
2009	89,294	128,537	217,831
2010	93,862	123,969	217,831
2011	98,664	119,167	217,831
2012	103,712	114,119	217,831
2013 to maturity	2,225,778	896,471	3,122,249

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2007

5. Bank indebtedness

The jurisdiction has negotiated a line of credit in the amount of \$1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing by-law and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007 (2006 - \$0).

6. Deferred revenue

	2007	2006
Infrastructure modernization program revenue	\$ 2,215,634	\$ 1,210,794
Block modernization revenue	-	1,088,916
Alberta Initiative for School Improvement	180,690	75,861
Other	4,334	8,106
	\$ 2,400,658	\$ 2,383,677

7. Long-term debt

The School Division has issued the following debentures to Alberta Finance to finance construction of school buildings having a carrying value of \$23,437,955. The debenture debt is fully supported by Alberta Finance.

7.25% to 16.50% due 2008 to 2019	\$ 1,869,018
Due within one year	(370,438)
	\$ 1,498,581

Principal repayments required in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2008	\$ 370,438	\$ 185,864	\$ 556,302
2009	352,198	147,114	499,312
2010	347,138	111,235	458,373
2011	221,947	78,692	300,639
2012	212,260	56,066	268,326
2013 to maturity	365,037	100,809	465,846

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2007

8. Other long term liabilities

	2007	2006
Southern Alberta Wind Farm project government portion	\$ 1,326,730	\$ -
Southern Alberta Wind Farm project division portion	1,362,248	-
	\$ 2,688,978	\$ -

The Livingstone Range School Division investment in the Southern Alberta Wind Farm project was \$2,794,240, consisting of a government grant and a divisional contribution each in the amount of \$1,397,120. These amounts will be brought into income over a 20 year period based on a rate of return of 5% on the investment.

Deferred revenue will be brought into income in each of the next five fiscal years and beyond as follows:

	Government	Division	Total
2008	\$ 41,800	\$ 42,919	\$ 84,719
2009	43,938	45,114	89,052
2010	46,186	47,423	93,609
2011	48,549	49,849	98,398
2012	51,033	52,398	103,431
2013 to maturity	1,095,224	1,124,545	2,219,769

9. Internally restricted net assets

Net assets may be restricted by authorization of the Board of Trustees for future capital and operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2006	Appropriated	Used	2007
Operating Reserves				
School	\$ 1,433,404	\$ 725,668	\$ (161,963)	\$ 1,997,109
Board and System Administration	210,000	-	-	210,000
Operations and Maintenance	128,000	400,000	-	528,000
Transportation	400,000	-	-	400,000
	\$ 2,171,404	\$ 1,125,668	\$ (161,963)	\$ 3,135,109

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**NOTES TO FINANCIAL STATEMENTS
For the Year Ended August 31, 2007**

10. Commitment

As of January 1, 2007, the jurisdiction signed a 20 year service agreement with Enmax to receive electricity at a flat rate.

11. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta				
Education	\$199,654	\$ 180,690	\$36,835,367	
Infrastructure & Transportation	-	2,218,301		
Finance	-		230,303	
Human Resources/Employment	-			
Other				
Post secondary institutions	-	1,667		
Total 2006 - 2007	\$ 199,654	\$ 2,400,658	\$37,065,670	\$ -
Total 2005 - 2006	\$ 251,367	\$ 2,381,827	\$35,905,552	\$ -

12. Economic dependence on related third party

The Livingstone Range School Division No. 68's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

13. Supplemental Integrated Pension Plan

The School Division is a member of the Supplemental Integrated Pension Plan. The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund. For the 2006-2007 year, there were four employees who were eligible and participated in the plan.

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2007

14. Subsequent Event

Subsequent to the year end, Livingstone Range School Division No. 68 was given verbal approval from the Alberta Government for a grant of \$10.4 million to be used for the West Meadows Modernization project.

15. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 14, 2006. It is presented for information purposes only and has not been audited.

16. Remuneration and monetary incentives

The Livingstone Range School Division No. 68 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	ERIP's / Other	Expenses
Chair: Ken Murray	1.0	\$14,275	\$4,115	\$0		\$8,809
Other members						
Jim Burdett	1.0	\$9,288	\$4,064	\$0		\$4,271
Gini-Decoux-Filipuzzi	1.0	\$12,312	\$4,235	\$0		\$7,049
Kelly Hall	1.0	\$10,350	\$4,168	\$0		\$3,439
Howard Paulsen	1.0	\$15,295	\$4,367	\$0		\$5,867
Dick Peterson	1.0	\$12,950	\$4,251	\$0		\$9,790
Martha Hatcliffe	1.0	\$9,794	\$4,095	\$0		\$5,160
Subtotal	7.0	\$84,264	\$29,296	\$0		\$44,385
David Rideout	1.0	\$133,242	\$18,030	\$5,100	\$199,532	\$35,064
Don Olsen	1.0	\$110,967	\$26,993	\$4,800	\$0	\$5,689
Certificated Teachers	245.2	\$18,986,587	\$2,300,993	\$0	\$0	
Non-certificated - Other	235.1	\$7,038,564	\$1,352,811	\$0	\$0	
TOTALS		\$26,353,624	\$3,728,123	\$9,900	\$199,532	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

Legal Name of School Jurisdiction

P.O. Box 69, Claresholm, Alberta T0L 0T0

Mailing Address

(403) 625-3356 (phone) (403) 625-2424 (fax)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Don Olsen

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L6
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8998

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 1135

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$36,835,367	\$27,419,652	\$4,732,630	\$3,023,781	\$1,659,304	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0	\$0		
(3) Alberta Finance	\$230,303		\$230,303			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$2,444,854	\$2,207,513	\$120,045	\$0	\$117,096	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$188,441	\$188,441				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$1,015,568	\$784,853	\$167,126	\$62,905	\$684	\$0
(12) Investment income	\$236,876	\$114,742	\$106,833	\$7,171	\$8,130	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$60,706	\$0	\$18,506	\$22,200	\$20,000	\$0
(15) Net school generated funds	\$959,864	\$959,864			\$0	
(16) Gains on disposal of capital assets	\$1,929	\$1,019	\$0	\$910	\$0	\$0
(17) Amortization of capital allocations	\$1,690,633	\$0	\$1,690,633	\$0		\$0
(18) TOTAL REVENUES	\$43,664,341	\$31,676,084	\$7,066,076	\$3,116,967	\$1,805,214	\$0
EXPENSES						
(19) Certificated salaries	\$19,319,361	\$18,822,556			\$496,805	\$0
(20) Certificated benefits	\$2,324,123	\$2,228,563			\$95,560	\$0
(21) Non-certificated salaries and wages	\$7,233,795	\$4,825,093	\$1,010,739	\$855,755	\$542,208	\$0
(22) Non-certificated benefits	\$1,413,900	\$948,507	\$222,895	\$90,756	\$151,742	\$0
(23) SUB - TOTAL	\$30,291,179	\$26,824,719	\$1,233,634	\$946,511	\$1,286,315	\$0
(24) Services, contracts & supplies	\$8,534,396	\$2,799,386	\$3,346,538	\$1,883,591	\$504,881	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$959,864	\$959,864				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,690,633	\$0	\$1,690,633	\$0	\$0	\$0
(28) Unsupported	\$542,720	\$165,090	\$98,703	\$267,307	\$11,620	\$0
(29) Total Amortization	\$2,233,353	\$165,090	\$1,789,336	\$267,307	\$11,620	\$0
Interest on capital debt						
(30) Supported	\$230,303	\$0	\$230,303	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$2,398	\$0	\$0	\$0	\$2,398	\$0
(33) Losses on disposal of capital assets	\$40,162	\$20,604	\$0	\$19,558	\$0	\$0
(34) TOTAL EXPENSES	\$42,291,655	\$30,769,663	\$6,599,811	\$3,116,967	\$1,805,214	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,372,686	\$906,421	\$466,265	\$0	\$0	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$29,422,138
Additional Funding for Differential Cost Factors	\$13,288,445
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,583,281
Student Health Initiative (SHI)	\$181,385
Alberta Initiative for School Improvement (AISi)	\$432,898
SuperNet Services	\$120,840
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$47,794
Infrastructure Maintenance Renewal (IMR)	\$857,804
Other Funding from Alberta Education (described)	\$0
Total Alberta Education Revenues	\$36,835,267

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$1,573,149	\$1,483,050	\$281,818		\$0	\$1,145,558	\$4,483,573
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$575,181	\$815,181	\$48,047		\$0		\$1,236,389
ECS Program Unit (PUF)	\$0	\$305,553	\$52,838		\$0		\$358,391
Severe Disabilities (Gr 1-12)	\$824,681	\$1,631,855	\$70,388		\$0		\$2,326,705
English as a Second Language (ESL)	\$0	\$137,185	\$0		\$0		\$137,185
French Language & Francisation	\$0	\$0	\$7,418		\$0		\$7,418
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$147,320	\$1,750		\$0		\$149,070
Alberta Initiative for School Improvement	\$304,484	\$9,897	\$0	\$118,517	\$0		\$432,898
Student Health Initiative	\$0	\$174,018	\$7,388		\$0		\$181,385
SuperNet Service			\$120,840		\$0		\$120,840
Class Size Initiative	\$1,583,281	\$0	\$0	\$0	\$0		\$1,583,281
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$18,470,403	\$1,258,730	\$1,915,407	\$178,900	\$0	\$0	\$19,822,440
TOTAL EXPENSES	\$21,051,119	\$5,773,600	\$2,503,008	\$295,417	\$0	\$1,145,558	\$30,769,693

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	8.7	22.7
ECS Program Unit (PUF)	0.0	11.7
Severe Disabilities (Gr 1-12)	7.7	45.8

School Jurisdiction Code: 1135

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$42,291,656
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over	= 4%
If "Total Net Enrolled Students" are 2,000 and less	= 6%
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,123,041
Considerations for Charter Schools and Small School Boards	
If Charter School, enter \$58,366	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrolment	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,123,041
Less: 2006/2007 Board and System Administration expenses	-\$1,805,214
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$317,827

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$951,595
Sources of School Generated Funds:	
Fundraising activities	\$584,894
Student fees (Non-instructional) (Note 1)	\$384,142
Donations and grants to schools	\$88,236
Other (describe):	\$435,000
Net Additions to SGF	\$1,492,272
Net SGF Available	\$1,986,273
Uses of Net School Generated Funds:	
Extra-curricular activities	\$190,395
School site beautification	\$11,324
Field Trips	\$239,182
Equipment	\$43,794
Family literacy and other community resources	\$40,758
Other (describe):	\$434,411
Total Uses of Net SGF (Note 2)	\$959,854
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$1,026,409
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p>Notes:</p> <ol style="list-style-type: none"> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 	

School Jurisdiction Code: 4501

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Medicine Hat Catholic Separate Regional Division No. 20

Legal Name of School Jurisdiction	1251 1st Avenue S.W.
Mailing Address	
Telephone and Fax Numbers	Telephone 403-527-2292 Fax 403-529-0917

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Medicine Hat Catholic Separate Regional Division No. 20 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Stanley Aberle Name	"ORIGINAL SIGNED" Signature
SUPERINTENDENT	
David Leahy Name	"ORIGINAL SIGNED" Signature
SECRETARY TREASURER OR TREASURER	
Bernard Girardin, MBA Name	"ORIGINAL SIGNED" Signature
11-Dec-07 Board-approved Release Date	

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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Auditors' Report

To the Board of Trustees
Medicine Hat Catholic Separate Regional Division No. 20

We have audited the statement of financial position of the Medicine Hat Catholic Separate Regional Division No. 20 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Medicine Hat Catholic Separate Regional Division No. 20 as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Meyers Norris Penny LLP

Chartered Accountants

Medicine Hat, Alberta
November 2, 2007

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

		2007	2006 (Note)
ASSETS			
Current assets			
Cash and temporary investments		\$1,471,762	\$1,266,488
Accounts receivable (net after allowances)		\$1,569,438	\$1,701,458
Prepaid expenses		\$300,239	\$397,655
Other current assets		\$118,315	\$130,304
Total current assets		\$3,459,755	\$3,495,905
School generated assets			
Trust assets		\$298,642	\$294,076
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets			
Land		\$225,905	\$225,905
Buildings	\$26,855,906		
Less: accumulated amortization	(\$8,295,101)	\$18,560,805	\$18,633,027
Equipment	\$991,787		
Less: accumulated amortization	(\$217,727)	\$774,060	\$841,640
Vehicles	\$88,761		
Less: accumulated amortization	(\$80,070)	\$8,690	\$26,443
Total capital assets		\$19,569,460	\$19,727,015
TOTAL ASSETS		\$23,339,970	\$23,528,699
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities		\$2,478,869	\$2,755,254
Deferred revenue		\$308,516	\$71,134
Deferred capital allocations		\$50,071	\$48,983
Current portion of all long term debt		\$145,902	\$145,902
Total current liabilities		\$2,983,358	\$3,021,273
School generated liabilities			
Trust liabilities		\$298,642	\$294,076
Employee future benefits liability		\$0	\$0
Long term payables and accrued liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt		\$997,843	\$1,143,745
Less: Current portion of supported debt		(\$145,902)	(\$145,902)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion of unsupported debt		\$0	\$0
Other long term liabilities		\$0	\$0
Unamortized capital allocations		\$17,778,983	\$17,921,243
Total long term liabilities		\$18,941,679	\$19,224,865
TOTAL LIABILITIES		\$21,925,037	\$22,246,138
NET ASSETS			
Unrestricted net assets		\$170,716	\$106,855
Operating Reserves		\$451,584	\$513,679
Accumulated Operating Surplus (Deficit)		\$622,300	\$620,534
Investment in capital assets		\$792,633	\$662,027
Capital Reserves		\$0	\$0
Total Capital Funds		\$792,633	\$662,027
Total net assets		\$1,414,933	\$1,282,561
TOTAL LIABILITIES AND NET ASSETS		\$23,339,970	\$23,528,699

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note) Revised	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$24,155,874	\$24,527,861	\$21,963,253
Federal Government and/or First Nations	\$19,890	\$20,000	\$67,872
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$206,564	\$235,939	\$200,159
Transportation fees	\$0	\$0	\$0
Other sales and services	\$347,853	\$401,990	\$396,104
Investment income	\$67,867	\$45,000	\$32,031
Gifts and donations	\$12,300	\$0	\$14,605
Rentals of facilities	\$277,413	\$305,101	\$235,765
Net school generated funds	\$635,046	\$600,000	\$637,133
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$691,564	\$734,401	\$666,728
Total Revenues	\$26,414,171	\$26,870,292	\$24,213,650
EXPENSES			
Certificated salaries	\$13,022,869	\$13,040,052	\$11,817,142
Certificated benefits	\$1,654,162	\$1,752,544	\$1,574,734
Non-certificated salaries and wages	\$3,819,731	\$3,889,229	\$3,596,648
Non-certificated benefits	\$1,027,972	\$1,063,088	\$953,090
Services, contracts and supplies	\$5,278,411	\$5,591,043	\$4,475,966
Net school generated funds	\$635,046	\$600,000	\$637,133
Capital and debt services			
Amortization of capital assets			
Supported	\$691,564	\$734,401	\$666,728
Unsupported	\$35,109	\$0	\$24,223
Total Amortization of capital assets	\$726,673	\$734,401	\$690,951
Interest on capital debt			
Supported	\$116,935	\$116,935	\$134,139
Unsupported	\$0	\$0	\$0
Total interest on capital debt	\$116,935	\$116,935	\$134,139
Other interest charges	\$0	\$3,000	\$2,772
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$26,281,800	\$26,770,292	\$23,882,575
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$132,372	\$100,000	\$331,075
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$132,372	\$100,000	\$331,075

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2008 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$132,372	\$331,075
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$691,564)	(\$666,728)
Total amortization expense	\$726,673	\$690,951
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$132,020	\$423,179
Prepays and other current assets	\$109,405	(\$52,501)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$276,385)	\$797,338
Deferred revenue	\$237,382	(\$303,551)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$369,902	\$1,219,763
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$540,392)	(\$1,681,930)
Equipment	(\$28,726)	(\$15,555)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$569,118)	(\$1,697,485)
C. FINANCING ACTIVITIES		
Capital allocations	\$404,490	\$861,799
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$145,902)	(\$162,413)
Add back: supported portion	\$145,902	\$162,413
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$404,490	\$861,799
Net sources (uses) of cash during year	\$205,274	\$384,077
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$1,266,488	\$882,411
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$1,471,762	\$1,266,488

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$1,282,561	\$662,027	\$106,855	\$513,679	\$0
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$1,282,561	\$662,027	\$106,855	\$513,679	\$0
Excess(def) of revenue over expenses	\$132,372		\$132,372		
Board funded capital transactions		\$165,715	(\$165,715)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$726,673)	\$726,673		
Amortization of capital allocations		\$691,564	(\$691,564)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$62,095	(\$62,095)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$1,414,933	\$792,633	\$170,716	\$451,584	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$48,983	\$17,921,243
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$48,983	\$17,921,243
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$404,490	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$145,902
Expended capital allocations - current year	(\$403,402)	\$403,402
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$691,564
Balance at August 31, 2007	\$50,071	\$17,778,983

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

1. AUTHORITY AND PURPOSE

The Medicine Hat Catholic Separate Regional Division No. 20 delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital contributions until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Interest earned on trust assets and liabilities is recorded as direct increases in trust assets and liabilities.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. Donated assets are recorded at fair market value at the time of the donation. No amortization is taken in the year of acquisition and a full year of amortization is taken in the year of disposal. The rates are as follows:

Buildings	40 years
Equipment	5 to 10 years
Vehicles	5 years
Site Improvements	20 years
Computer Hardware	5 years

Only capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

Included in the balance of buildings on the statement of financial position is site improvements of \$506,171 with accumulated amortization of \$20,940 (2006: cost of \$418,796 and accumulated amortization of \$nil). Included in the balance of equipment is computer hardware of \$15,803, with accumulated amortization of nil (2006: cost and accumulated amortization of \$nil).

c. LONG-LIVED ASSETS

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in loss for the year.

Prices for similar items are used to measure fair value of long lived assets.

d. SCHOOL GENERATED FUNDS

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

e. VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

f. PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current services of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Medicine Hat Catholic Separate Regional Division No. 20 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$158,400 (2006 - \$147,134) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 deficiency of \$863,558,000).

g. PREPAID EXPENSES

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h. CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i. FINANCIAL INSTRUMENTS

These consist of cash, accounts receivable, temporary and long-term investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

j. OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k. EMPLOYEE FUTURE BENEFITS

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2007, the total expense recorded in the financial statements is \$60,361 (2006: \$55,567).

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

I. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets. Amortization of capital allocations is based on the related estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Learning	\$ 52,838	\$ 270,413
Alberta Infrastructure	367,388	367,388
Other Province of Alberta	42,971	49,150
Federal Government	197,301	126,894
Alberta Municipalities	601,396	515,947
Other	307,544	371,666
Total	<u>\$ 1,569,438</u>	<u>\$ 1,701,458</u>

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$1,716,000 (2006: \$1,156,000) that bears interest at bank prime rate less 0.25% (2006: interest at prime rate less 0.25%). This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2007 (\$0 in 2006).

5. ACCOUNTS PAYABLE AND LIABILITIES

	2007	2006
Alberta Education	\$ 606,809	\$ 539,463
Alberta Finance	42,971	49,150
Other Alberta School Jurisdictions	222,071	242,168
Other trade payables and accrued liabilities	1,607,018	1,924,473
Total	<u>\$ 2,478,869</u>	<u>\$ 2,755,254</u>

6. DEFERRED REVENUE

	2007	2006
Infrastructure Maintenance Renewal (formerly IMP)	\$ 308,516	\$ 71,134

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2007	2006
Scholarship trusts	\$ 12,113	\$ 11,703

8. LONG-TERM DEBT

a. DEBENTURE DEBT – SUPPORTED

The debenture debt bears interest at rates varying between 10% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	145,902	107,474	253,376
2008-2009	143,596	91,834	235,430
2009-2010	143,596	76,471	220,067
2010-2011	143,596	61,108	204,703
2011-2012	143,596	45,744	189,340
2012 to maturity	277,558	-	277,558
Total	\$ 997,843	\$ 382,630	\$ 1,380,473

b. CAPITAL LEASES - UNSUPPORTED

Currently, there is no capital leases held by the jurisdiction.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

11. COMMITMENTS

a) Operating Leases

The Division has entered into various lease agreements with estimated minimum annual payments as follows:

2007 – 2008	\$ 100,845
2008 – 2009	\$ 66,489
2009 – 2010	\$ 15,180

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and as such was not audited.

13. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

14. ECONOMIC DEPENDENCE

The Medicine Hat Catholic Separate Regional Division No. 20's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. CONTINGENCIES

The jurisdiction is a member of an Urban School Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

The jurisdiction is contingently liable for corporate credit cards issued with a combined authorized credit limit of \$1,052,800 (2006 - \$1,025,200). The amount charged against this limit is \$140,761 (\$78,570 in 2006).

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

16. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

2006-2007	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$ 52,838	\$ 604,768	\$ 24,038,939	\$ -
Infrastructure & Transportation	367,388	-	-	-
Finance	42,971	1,042,855	116,935	-
Other:				
Health authorities – Palliser Health Region	-	-	-	60
Post-secondary institutions:				
Lethbridge Community College	-	-	-	225
Other Alberta school jurisdictions:				
Alberta Distance Learning	-	-	-	901
Buffalo Trail Public Schools Regional Division No. 28	-	-	-	9,130
Calgary School Dist. No.19	-	-	-	25,638
Grasslands Regional Division No. 6	-	-	-	960
Greater St. Albert Catholic Regional Div. No.29	-	-	-	145,947
Medicine Hat School Dist. No.76	-	-	-	66,886
Prairie Rose School Div. No.8	-	-	-	6,535
Red Deer Catholic School Div.39	-	-	-	40,029
Other related parties:				
Centre for academic and personal excellence institute (CAPE)	95,624	36,746	223,602	36,746
St. Gabriels Cyber School	20,937	185,325	-	-
Southern Alberta Learning Resource Centre	-	-	-	275
Ecole Francophone	-	-	38,838	-
Total 2006-2007	\$579,758	\$1,869,694	\$24,418,314	\$333,332
Total 2005-2006	\$748,174	\$1,974,522	\$22,184,267	\$480,760

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2007

17. REMUNERATION AND MONETARY INCENTIVES

The Charter School has paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/Other	Expenses
Immanuel Moritz	1.0	\$16,389	\$1,050	-	-	-	\$8,706
Mario Rossetto	1.0	\$15,127	\$1,006	-	-	-	\$6,054
Kelly Van Ham	1.0	\$13,946	\$953	-	-	-	\$8,312
Michael Tivadar	1.0	\$15,246	\$382	-	-	-	\$7,919
Lee Little	1.0	\$13,446	\$2,023	-	-	-	\$19
Subtotal	5.0	\$74,154	\$5,414	-	-	-	\$31,010
Dr. Guy Tetrault	1.0	\$137,000	\$19,703	-	-	-	\$20,713
Bernie Girardin	1.0	\$114,000	\$27,330	-	-	-	\$10,280
Certificated Teachers	167.7	\$12,795,869	\$1,634,459	-	-	\$90,000	-
Non-certificated - Other	110.2	\$3,631,577	\$995,228	-	-	-	-
TOTALS	133.90	\$16,752,600	\$2,682,134	-	-	\$90,000	\$62,003

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Medicine Hat Catholic Separate Regional Division No. 20

Legal Name of School Jurisdiction

1251 1st Avenue

Mailing Address

Telephone: 403-527-2292 Fax: 403-529-0917

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Bernard Girardin

Name

"ORIGINAL SIGNED"

Signature

11-Dec-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-8996

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2006-2007 Board and System Administration Expenses	
SCHEDULE D Under (Over) Maximum Limit	5
SCHEDULE E School Generated Funds (SGF)	5

SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code: 4501

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$24,038,939	\$19,054,753	\$2,857,631	\$780,558	\$1,345,997	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0				
(3) Alberta Finance	\$116,935		\$116,935			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$19,890	\$19,890	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$206,564	\$206,564				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$347,853	\$333,285	\$1,362	\$0	\$13,206	\$0
(12) Investment income	\$67,667	\$67,667	\$0	\$0	\$0	\$0
(13) Gifts and donations	\$12,300	\$12,300	\$0	\$0		\$0
(14) Rentals of facilities	\$277,413	\$0	\$277,413	\$0	\$0	\$0
(15) Net school generated funds	\$635,046	\$635,046			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$691,564	\$0	\$691,564	\$0		\$0
(18) TOTAL REVENUES	\$26,414,171	\$20,329,505	\$3,944,905	\$780,558	\$1,359,203	\$0
EXPENSES						
(19) Certificated salaries	\$13,022,869	\$12,757,220			\$265,649	\$0
(20) Certificated benefits	\$1,654,162	\$1,626,226			\$27,936	\$0
(21) Non-certificated salaries and wages	\$3,819,731	\$2,318,845	\$1,075,938	\$0	\$424,948	\$0
(22) Non-certificated benefits	\$1,027,972	\$658,987	\$277,642	\$0	\$91,343	\$0
(23) SUB - TOTAL	\$19,524,734	\$17,361,278	\$1,353,580	\$0	\$809,876	\$0
(24) Services, contracts & supplies	\$5,278,411	\$2,437,639	\$1,603,423	\$688,022	\$549,327	\$0
(25) Cost recoveries between programs	\$0		\$0		\$0	\$0
(26) Net school generated funds	\$635,046	\$635,046				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$691,564	\$0	\$691,564	\$0	\$0	\$0
(28) Unsupported	\$35,109	\$0	\$35,109	\$0	\$0	\$0
(29) Total Amortization	\$726,673	\$0	\$726,673	\$0	\$0	\$0
Interest on capital debt						
(30) Supported	\$116,935	\$0	\$116,935	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$26,281,799	\$20,433,963	\$3,800,611	\$688,022	\$1,359,203	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$132,372	(\$104,458)	\$144,294	\$92,536	\$0	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$15,357,342
Additional Funding for Differential Cost Factors	\$8,051,473
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,430,359
Student Health Initiative (SHI)	\$36,310
Alberta Initiative for School Improvement (AISi)	\$361,344
SuperNet Services	\$86,482
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$30,003
Infrastructure Maintenance Renewal (IMR)	\$705,646
Other Funding from Alberta Education (describe)	\$0
Total Alberta Education Revenues	\$24,038,039

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$1,582,405	\$739,030	\$92,526		\$0	\$0	\$2,393,961
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$954,950	\$6,692	\$84,649		\$0		\$1,056,291
ECS Program Unit (PUF)	\$142,233	\$543,544	\$189,628		\$0		\$875,405
Severe Disabilities (Gr 1-12)	\$386,891	\$929,331	\$89,564		\$0		\$1,415,786
English as a Second Language (ESL)	\$0	\$0	\$0		\$0		\$0
French Language & Francisation	\$325,236	\$0	\$36,785		\$0		\$364,021
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$223,560	\$0	\$145,265	\$0	\$0		\$368,825
Student Health Initiative	\$0	\$35,485	\$0		\$0		\$35,485
SuperNet Service			\$77,424		\$0		\$77,424
Class Size Initiative	\$1,430,359	\$0	\$0	\$0	\$0		\$1,430,359
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$9,347,812	\$723,730	\$1,473,231	\$236,567	\$0	\$635,046	\$12,416,386
TOTAL EXPENSES	\$14,383,446	\$2,977,832	\$2,201,072	\$236,567	\$0	\$635,046	\$20,433,963

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	12.0	3.7
ECS Program Unit (PUF)	1.8	19.4
Severe Disabilities (Gr 1-12)	5.5	23.8

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$26,281,799
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	8.66%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proportion for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</p>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$1,487,550
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1- 12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$1,487,550
Less: 2006/2007 Board and System Administration expenses		-\$1,359,203
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$128,347

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$294,076																								
Sources of School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Gross SGF</th> <th style="text-align: center;">Related Expenses</th> <th style="text-align: center;">Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td style="text-align: right;">\$371,886</td> <td style="text-align: right;">\$191,042</td> <td style="text-align: right;">\$180,844</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td style="text-align: right;">\$320,209</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$320,209</td> </tr> <tr> <td>Donations and grants to schools</td> <td style="text-align: right;">\$138,559</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$138,559</td> </tr> <tr> <td>Other (describe):</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td style="text-align: right;">\$830,654</td> <td style="text-align: right;">\$191,042</td> <td style="text-align: right;">\$639,612</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$371,886	\$191,042	\$180,844	Student fees (Non-Instructional) (Note 1)	\$320,209	\$0	\$320,209	Donations and grants to schools	\$138,559	\$0	\$138,559	Other (describe):	\$0	\$0	\$0	Net Additions to SGF	\$830,654	\$191,042	\$639,612	
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Net SGF Available		\$933,688																								
Uses of Net School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Extra-curricular activities</td> <td style="text-align: right;">\$495,560</td> </tr> <tr> <td>School site beautification</td> <td style="text-align: right;">\$23,529</td> </tr> <tr> <td>Field Trips</td> <td style="text-align: right;">\$72,858</td> </tr> <tr> <td>Equipment</td> <td style="text-align: right;">\$39,113</td> </tr> <tr> <td>Family literacy and other community resources</td> <td style="text-align: right;">\$3,986</td> </tr> <tr> <td>Other (describe):</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td style="text-align: right;">\$635,046</td> </tr> </tbody> </table>	Extra-curricular activities	\$495,560	School site beautification	\$23,529	Field Trips	\$72,858	Equipment	\$39,113	Family literacy and other community resources	\$3,986	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$635,046											
Extra-curricular activities	\$495,560																									
School site beautification	\$23,529																									
Field Trips	\$72,858																									
Equipment	\$39,113																									
Family literacy and other community resources	\$3,986																									
Other (describe):	\$0																									
Total Uses of Net SGF (Note 2)	\$635,046																									
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$298,642																								
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>																										
Notes:																										
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>																										
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>																										
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>																										

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Medicine Hat School District No. 76

Legal Name of School Jurisdiction

601 1st Avenue S.W. Medicine Hat, Alberta T1A 4Y7

Mailing Address

(403)528-6728 & (403)529-6571

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

Medicine Hat School District No. 76

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed
to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed
in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the
school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training
of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong
budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited
financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings.
The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gitta Hashizume
Name

"ORIGINAL SIGNED"
Signature

SUPERINTENDENT

Linda Roesler
Name

"ORIGINAL SIGNED"
Signature

SECRETARY TREASURER OR TREASURER

Jerry Labossiere
Name

"ORIGINAL SIGNED"
Signature

27-Nov-07

Board-approved Release Date

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AUDITORS' REPORT

TO THE BOARD OF TRUSTEES MEDICINE HAT SCHOOL DISTRICT NO. 76

We have audited the statement of financial position of the Medicine Hat School District No. 76 as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

JOHNSTON MORRISON HUNTER & CO. LLP

CHARTERED ACCOUNTANTS

MEDICINE HAT, ALBERTA
OCTOBER 31, 2007

STATEMENT OF FINANCIAL POSITION

as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$9,219,056	\$6,577,251
Accounts receivable (net after allowances)	\$1,086,996	\$565,404
Prepaid expenses	\$257,190	\$107,950
Other current assets	\$478,475	\$448,677
Total current assets	\$11,041,717	\$7,699,282
School generated assets	\$824,272	\$981,396
Trust assets	\$2,198,935	\$1,852,277
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$1,962,982	\$1,962,982
Buildings	\$47,062,894	
Less: accumulated amortization	(\$25,210,831)	
Equipment	\$3,291,413	
Less: accumulated amortization	(\$1,297,594)	
Vehicles	\$317,782	
Less: accumulated amortization	(\$277,006)	
Total capital assets	\$25,849,530	\$26,821,448
TOTAL ASSETS	\$39,914,454	\$37,154,403
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$2,503,706	\$1,553,566
Deferred revenue	\$1,898,611	\$361,786
Deferred capital allocations	\$475,578	\$475,578
Current portion of all long term debt	\$762,867	\$816,704
Total current liabilities	\$5,640,562	\$3,207,634
School generated liabilities	\$824,272	\$981,396
Trust liabilities	\$2,198,935	\$1,852,277
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$3,237,762	\$3,878,052
Less: Current portion of supported debt	(\$599,711)	(\$640,290)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$880,036	\$1,097,029
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$162,956)	(\$176,414)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$17,931,529	\$18,132,759
Total long term liabilities	\$24,309,667	\$25,124,809
TOTAL LIABILITIES	\$29,950,429	\$28,332,443
NET ASSETS		
Unrestricted net assets	\$655,218	\$249,796
Operating Reserves	\$3,184,500	\$3,651,553
Accumulated Operating Surplus (Deficit)	\$3,839,718	\$3,901,349
Investment in capital assets	\$3,800,207	\$3,513,612
Capital Reserves	\$2,324,100	\$1,406,999
Total Capital Funds	\$6,124,307	\$4,920,611
Total net assets	\$9,964,025	\$8,821,960
TOTAL LIABILITIES AND NET ASSETS	\$39,914,454	\$37,154,403

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note) Revised	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$50,232,158	\$50,745,116	\$49,273,169
Federal Government and/or First Nations	\$103,181	\$65,975	\$57,536
Other Alberta school authorities	\$98,665	\$43,410	\$107,016
Out of province authorities		\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$14,068	\$0	\$5,032
Instruction resource fees	\$597,288	\$514,777	\$499,150
Transportation fees	\$0	\$0	\$0
Other sales and services	\$1,144,113	\$232,536	\$841,034
Investment income	\$461,860	\$167,618	\$315,024
Gifts and donations	\$45,901	\$0	\$86,421
Rentals of facilities	\$427,406	\$114,000	\$142,989
Net school generated funds	\$1,332,363	\$1,925,129	\$1,997,926
Gains on disposal of capital assets	\$0	\$0	\$140,938
Amortization of capital allocations	\$964,467	\$819,500	\$1,219,536
Total Revenues	\$55,421,470	\$54,628,061	\$54,685,771
EXPENSES			
Certificated salaries	\$27,240,333	\$27,229,010	\$27,109,833
Certificated benefits	\$4,584,771	\$4,053,874	\$3,888,091
Non-certificated salaries and wages	\$7,980,284	\$7,841,017	\$8,050,843
Non-certificated benefits	\$2,394,171	\$2,222,134	\$1,964,590
Services, contracts and supplies	\$8,822,941	\$9,755,282	\$8,540,245
Net school generated funds	\$1,332,363	\$1,925,129	\$1,997,926
Capital and debt services			
Amortization of capital assets			
Supported	\$964,467	\$819,500	\$1,219,536
Unsupported	\$482,948	\$349,180	\$567,698
Total Amortization of capital assets	\$1,447,415	\$1,168,680	\$1,787,234
Interest on capital debt			
Supported	\$371,486	\$371,486	\$415,895
Unsupported	\$93,829	\$61,449	\$29,125
Total Interest on capital debt	\$465,315	\$432,935	\$445,020
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$11,812	\$0	\$0
Total Expenses	\$54,279,405	\$54,628,061	\$53,783,782
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,142,065	\$0	\$901,989
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,142,065	\$0	\$901,989

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,142,065	\$901,989
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$964,467)	(\$1,219,536)
Total amortization expense	\$1,447,415	\$1,787,234
Gains on disposal of capital assets	\$0	(\$140,938)
Losses on disposal of capital assets	\$11,812	\$0
Changes in accrued accounts:		
Accounts receivable	(\$521,592)	\$1,443,883
Prepays and other current assets	(\$179,038)	\$292,932
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$950,140	\$425,012
Deferred revenue	\$1,536,825	(\$1,962,633)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$3,423,160	\$1,527,943
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	(\$166,809)
Equipment	(\$604,941)	(\$1,150,056)
Vehicles	\$0	(\$28,589)
Net proceeds from disposal of capital assets	\$0	\$378,982
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$604,941)	(\$966,472)
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$695,900
Repayment of long term debt	(\$857,283)	(\$957,083)
Add back: supported portion	\$840,290	\$894,550
Other (describe) Forgiveness of unsupported long term debt	\$40,579	(\$37,841)
Total sources (uses) of cash from Financing activities	(\$176,414)	\$395,526
Net sources (uses) of cash during year	\$2,641,805	\$956,997
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$6,577,251	\$5,620,254
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$9,219,056	\$6,577,251

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$8,821,960	\$3,513,612	\$249,796	\$3,651,553	\$1,406,999
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$8,821,960	\$3,513,612	\$249,796	\$3,651,553	\$1,406,999
Excess(def) of revenue over expenses	\$1,142,065		\$1,142,065		
Board funded capital transactions		\$604,941	(\$604,941)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$1,447,415)	\$1,447,415		
Amortization of capital allocations		\$964,467	(\$964,467)		
Disposal of unsupported capital assets	\$0	(\$52,391)	\$52,391		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$216,993	(\$216,993)		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$467,053	(\$467,053)	
Net transfers to capital reserves			(\$917,101)		\$917,101
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$9,964,025	\$3,800,207	\$655,218	\$3,184,500	\$2,324,100

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$475,578	\$18,132,759
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$475,578	\$18,132,759
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$122,947
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$640,290
Expended capital allocations - current year	\$0	\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$964,467
Balance at August 31, 2007	\$475,578	\$17,931,529

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 1 AUTHORITY AND PURPOSE

Medicine Hat School District No. 76 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. Medicine Hat School District No. 76 is limited on certain funding allocations and administration expenses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) PREPAID EXPENSES

Certain expenses incurred and paid before the close of the school year are for specific school supplies, and insurance, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(b) INVENTORIES

Inventories are valued at the lower of cost (cost determined on an average basis) and net realizable value.

(c) SCHOOL GENERATED FUNDS

These are funds raised in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenses paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

(d) TRUST ASSETS

Trust assets are recorded at cost unless there has been an other than temporary decline in value. At that time, the asset cost is reduced to reflect the fair market value.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) CAPITAL ASSETS

Capital assets are recorded at cost. Donated assets are recorded at fair market value at the time of the donation. Amortization is recorded on a straight-line basis over the assets' useful lives, at the following rates:

Buildings	40 years
Equipment	5- 10 years
Vehicles	5 years

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

(f) VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

(g) OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

(h) REVENUE RECOGNITION

Instruction and Support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the jurisdiction does not make pension contributions for certified staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$331,572 (2006 - \$291,885) for the year ended August 31, 2007. At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 - \$863,558,000).

(j) CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(k) FINANCIAL INSTRUMENTS

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, trust assets, accounts payable and accrued liabilities, trust liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

NOTE 3 ACCOUNTS RECEIVABLE

	2007	2006
	\$	\$
Alberta Infrastructure	428,367	163,992
Alberta Education	91,862	30,877
Alberta Finance	92,967	114,083
Federal government	124,930	91,573
Medicine Hat College	30,188	24,567
Other	<u>318,682</u>	<u>140,312</u>
	<u>1,086,996</u>	<u>565,404</u>

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 4 OTHER CURRENT ASSETS

	2007	2006
	\$	\$
Inventories	478,455	448,657
Alberta Capital Finance Authority share	<u>20</u>	<u>20</u>
	<u>478,475</u>	<u>448,677</u>

NOTE 5 CAPITAL ASSETS

Included in capital assets are assets under capital leases as follows:

	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE	
			2007	2006
	\$	\$	\$	\$
Equipment	<u>1,304,558</u>	<u>425,463</u>	<u>879,095</u>	<u>1,153,562</u>

There are no amounts classified as work in progress that are not being amortized at August 31, 2007 (2006 - nil).

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
	\$	\$
Alberta Education	92,967	114,083
Employee deductions payable	(52,960)	40,629
Accrued vacations payable	253,686	241,100
Other	<u>2,210,013</u>	<u>1,157,754</u>
	<u>2,503,706</u>	<u>1,553,566</u>

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 7 DEFERRED REVENUE

	2007	2006
	\$	\$
Infrastructure Maintenance Renewal Program	1,595,456	--
Earl Kitchener Capital Rent	--	284,741
Technology Grant	100,517	--
Parents as Teachers Grant	30,313	--
Alberta Initiative for School Improvement	167,325	43,682
Student Tuition	<u>5,000</u>	<u>33,363</u>
	<u>1,898,611</u>	<u>361,786</u>

NOTE 8 DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

	2007	2006
	\$	\$
Balance, beginning of year	475,578	634,134
Allocations received and receivable	--	--
Interest earned on capital allocations	--	--
Transfers to unamortized capital allocations (Note 12)	<u>--</u>	<u>(158,556)</u>
Balance, end of year	<u>475,578</u>	<u>475,578</u>

NOTE 9 SCHOOL GENERATED ASSETS AND LIABILITIES

	2007	2006
	\$	\$
Balance, beginning of year	<u>981,396</u>	<u>867,218</u>
Source of School Generated Funds (SGF)		
SGF for the year	2,693,333	2,708,664
Costs of generating SGF	<u>(1,518,094)</u>	<u>(596,560)</u>
Net SGF available for the year	<u>1,175,239</u>	<u>2,112,104</u>
Net SGF available for spending	2,156,635	2,979,322
Application of Net SGF	<u>(1,332,363)</u>	<u>(1,997,926)</u>
Balance, end of year	<u>824,272</u>	<u>981,396</u>

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 10 TRUST ASSETS AND LIABILITIES

These balances represent cash, investments and other assets that are held by the jurisdiction for the following areas:

	MARKET VALUE	COST 2007	COST 2006
	\$	\$	\$
Scholarship trusts			
Cash	955,223	955,223	645,617
Interest receivable	2,682	2,682	-
Stocks and Bonds	1,312,516	1,237,530	1,203,160
Mineral rights	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>
	<u>2,273,921</u>	<u>2,198,935</u>	<u>1,852,277</u>

Market value as advised by an independent source.

NOTE 11 LONG-TERM DEBT

	2007	2006
	\$	\$
Debenture Debt - Alberta Capital Finance Authority 7.375% to 11.625%, due September 2007 to March 2015	3,237,762	3,878,052
Obligations Under Capital Leases 7.41% to 10.54%, due September 2007 to November 2011	<u>880,036</u> 4,117,798	<u>1,097,029</u> 4,975,081
Portion repayable within one year	<u>(762,667)</u>	<u>(816,704)</u>
	<u>3,355,131</u>	<u>4,158,377</u>

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 11 LONG-TERM DEBT (CONTINUED)

The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists of \$599,711 payable to Alberta Capital Finance Authority on supported debt. Therefore, the working capital (current assets less current liabilities) is understated by this amount.

Approximate principal repayments of long-term debt are as follows:

	\$
2008	762,667
2009	747,101
2010	694,063
2011	671,317
2012	433,789
2013 and future	<u>808,861</u>
	<u>4,117,798</u>

Approximate repayments of obligations under capital leases are as follows:

	PRINCIPAL	INTEREST	TOTAL
	\$	\$	\$
2008	162,956	73,910	236,866
2009	176,792	60,075	236,867
2010	181,834	45,085	226,919
2011	196,628	29,820	226,448
2012	<u>161,826</u>	<u>13,277</u>	<u>175,103</u>
	<u>880,036</u>	<u>222,167</u>	<u>1,102,203</u>

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 12 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debentured principal repayments. Details of the changes are as follows:

	2007	2006
	\$	\$
Balance, beginning of year	18,132,759	18,537,030
Supported debenture principal repayments	640,290	694,550
Transfer from deferred capital allocations (Note 8)	--	158,556
Donated Capital Assets	122,947	--
Capital allocation revenue	(964,467)	(1,219,536)
Transfer to revenue	--	(78,167)
Transferred from deferred revenue	<u>--</u>	<u>40,326</u>
Balance, end of year	<u>17,931,529</u>	<u>18,132,759</u>

NOTE 13 SUPPLEMENTAL CASH FLOW INFORMATION

	2007	2006
	\$	\$
Interest paid	<u>465,315</u>	<u>468,682</u>

NOTE 14 RELATED PARTY TRANSACTIONS

During the year, the jurisdiction entered into transactions with related parties.

The following transactions are recorded at the exchange amount which represents the amount of consideration paid or received as established and agreed to by related parties:

a) ALBERTA GOVERNMENT DEPARTMENTS

	RECEIVED & RECEIVABLE	DEFERRED NET	REVENUE 2007	REVENUE 2006
	\$	\$	\$	\$
Alberta Education	51,458,336	(1,863,298)	49,595,038	47,090,641
Alberta Infrastructure	--	--	--	1,449,702
Alberta Capital Finance	371,486	--	371,486	415,895
Other Alberta Government	<u>295,948</u>	<u>(30,314)</u>	<u>265,634</u>	<u>316,931</u>
	<u>52,125,770</u>	<u>(1,893,612)</u>	<u>50,232,158</u>	<u>49,273,169</u>

The school jurisdiction paid \$1,011,776 (2006 - \$1,134,111) in principal and interest on debenture debt to the Alberta Capital Finance Authority.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 14 RELATED PARTY TRANSACTIONS (CONTINUED)

b) OTHER RELATED PARTY TRANSACTIONS

The school jurisdiction received \$66,925 (2006 - \$56,108) for maintaining school grounds for the Medicine Hat Catholic Separate Regional Division No. 20 and shared program fees.

The school jurisdiction received \$21,160 (2006 - \$20,454) for shared program fees from Grasslands Public Schools.

The school jurisdiction received \$10,580 (2006 - 45,533) for shared program fees from Prairie Rose Regional Division No. 6.

The school jurisdiction received \$319,725 (2006 - \$294,530) for maintaining school grounds for the Medicine Hat College. At year-end, \$30,188 is due to the jurisdiction and included in accounts receivable, and is subject to normal trade terms.

c) MEDICINE HAT PUBLIC SCHOOL'S EDUCATION FOUNDATION

The jurisdiction has an economic interest in the Medicine Hat Public School's Education Foundation. The Medicine Hat Public School's Education Foundation is a registered society created to solicit, receive and administer funds and property donated for the advancement of Medicine Hat School District No.76. The Foundation is exempt from payment of income tax under Section 149 of the Income Tax Act.

In addition, the school jurisdiction provides certain administrative services and occupancy at no cost to the Foundation.

NOTE 15 ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Medicine Hat School District No.76 primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

NOTE 16 CONTINGENCIES

- a) The jurisdiction is a member of an Urban School Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 16 CONTINGENCIES (CONTINUED)

- b) The District, in conduct of its normal activities, is a defendant in various legal proceedings. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of the District's administration that adequate provision for these proceedings has been made in the District accounts. It is believed that the resolution of the proceedings will not have a material effect on the financial position of the District; however, should any additional losses result from the resolutions of these proceedings, such amounts would be expensed as the related amounts become known to the District.
- c) The jurisdiction is contingently liable for corporate credit cards issued with a combined authorized credit limit of \$1,194,290 (2006 - \$1,348,340).

NOTE 17 COMMITMENTS

The jurisdiction has outstanding commitments at August 31, 2007 in the amount of \$548,423 for construction contracts (2006 - \$109,881).

NOTE 18 BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

NOTE 19 COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

NOTE 20 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees.

MEDICINE HAT SCHOOL DISTRICT NO. 76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 21 REMUNERATION AND MONETARY INCENTIVES

The jurisdiction had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair:							
Deborah Forbes	1.0	\$ 16,492	\$ 2,064	\$ -			\$ 9,479
Other members:							
Greg Bender	1.0	\$ 15,261	\$ 2,003	\$ -			\$ 3,869
Gitta Hashizume	1.0	\$ 17,215	\$ 679	\$ -			\$ 9,156
Terry Riley	1.0	\$ 17,471	\$ 1,946	\$ -			\$ 10,275
Roy Wilson	1.0	\$ 16,730	\$ -	\$ -			\$ 7,506
Subtotal	5.0	\$ 83,169	\$ 6,692	\$ -			\$ 40,285
Superintendent:							
Linda Rossler	1.0	\$ 140,066	\$ 10,762	\$ 6,000	\$ -	\$ -	\$ 22,748
Secretary Treasurer:							
Grant Henderson	0.4	\$ 53,090	\$ 4,778	\$ 1,375	\$ -	\$ -	\$ 5,158
Jerry Labossiere	0.6	\$ 67,083	\$ 8,403	\$ 1,925	\$ -	\$ -	\$ 2,753
Certificated Teachers	372.3	\$ 27,047,177	\$ 4,226,743	\$ 3,550	\$ -	\$ 331,563	
Non-certificated - Other	223.0	\$ 7,830,032	\$ 2,367,334	\$ 9,817	\$ -	\$ -	
TOTALS		\$ 35,220,617	\$ 6,624,712	\$ 22,667	\$ -	\$ 331,563	

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Medicine Hat School District No. 76

Legal Name of School Jurisdiction

601 1st Avenue S.W. Medicine Hat, Alberta T1A 4Y7

Mailing Address

(403)528-6728 & (403)529-6571

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Jerry Labossiere
Name

"ORIGINAL SIGNED"
Signature

27-Nov-07

Dated

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SCHEDULE A

School Jurisdiction Code 3050

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$49,595,038	\$40,129,289	\$6,069,709	\$1,655,027	\$1,741,013	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0	\$0		
(3) Alberta Finance	\$371,486		\$371,486			\$0
(4) Other - Government of Alberta	\$285,634	\$0	\$0	\$0	\$0	\$285,634
(5) Federal Government and/or First Nations	\$103,181	\$99,054	\$0	\$0	\$4,127	\$0
(6) Other Alberta school authorities	\$98,665	\$30,470	\$66,925	\$0	\$1,270	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$14,068	\$0	\$0	\$0	\$0	\$14,068
(9) Instruction resource fees	\$597,288	\$597,288				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$1,144,113	\$15,031	\$123,760	\$0	\$200,775	\$804,547
(12) Investment income	\$481,860	\$261,053	\$112,752	\$36,108	\$51,947	\$0
(13) Gifts and donations	\$45,901	\$45,901	\$0	\$0		\$0
(14) Rentals of facilities	\$427,406	\$10,330	\$416,504	\$0	\$572	\$0
(15) Net school generated funds	\$1,332,363	\$1,332,363			\$0	
(16) Gains on disposal of capital assets	\$0		\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$964,467	\$0	\$964,467	\$0		\$0
(18) TOTAL REVENUES	\$55,421,470	\$42,520,779	\$8,125,603	\$1,691,135	\$1,999,704	\$1,084,249
EXPENSES						
(19) Certificated salaries	\$27,240,333	\$26,952,018			\$289,254	\$19,061
(20) Certificated benefits	\$4,584,771	\$4,558,095			\$24,403	\$2,273
(21) Non-certificated salaries and wages	\$7,980,284	\$4,156,498	\$2,368,729	\$0	\$665,273	\$789,784
(22) Non-certificated benefits	\$2,394,171	\$1,435,582	\$716,829	\$0	\$148,625	\$93,135
(23) SUB - TOTAL	\$42,199,559	\$37,102,193	\$3,085,558	\$0	\$1,107,555	\$904,253
(24) Services, contracts & supplies	\$8,822,941	\$3,311,153	\$3,343,173	\$1,180,050	\$776,006	\$212,559
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$1,332,363	\$1,332,363				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$964,467	\$0	\$964,467	\$0	\$0	\$0
(28) Unsupported	\$482,948	\$387,460	\$35,648	\$0	\$33,912	\$25,928
(29) Total Amortization	\$1,447,415	\$387,460	\$1,000,115	\$0	\$33,912	\$25,928
Interest on capital debt						
(30) Supported	\$371,486	\$0	\$371,486	\$0	\$0	\$0
(31) Unsupported	\$93,829	\$91,690	\$0	\$0	\$2,139	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$11,812	\$11,812	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$54,279,405	\$42,236,671	\$7,800,332	\$1,180,050	\$1,919,612	\$1,142,740
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,142,065	\$284,108	\$325,271	\$511,085	\$80,092	(\$58,491)

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$32,308,517
Additional Funding for Differential Cost Factors	\$12,917,858
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$2,021,155
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AIS)	\$680,477
SuperNet Services	\$120,840
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$85,200
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$62,170
Infrastructure Maintenance Renewal (IMR)	\$1,048,287
Other Funding from Alberta Education (describe)	\$370,728
Total Alberta Education Revenues	\$49,595,038

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						TOTAL EXPENSES
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	
School Administration & Instruction Support	\$3,112,955	\$2,188,888	\$433,915		\$0	\$3,272	\$5,717,030
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$1,811,177	\$324,848	\$3,497		\$0		\$2,139,523
ECS Program Unit (PUF)	\$381,087	\$770,844	\$515,104		\$0		\$1,676,815
Severe Disabilities (Gr 1-12)	\$648,247	\$1,271,006	\$234,778		\$0		\$2,352,031
English as a Second Language (ESL)	\$90,886	\$0	\$487		\$0		\$91,183
French Language & Francisation	\$811,815	\$57,305	\$1,898		\$0		\$870,918
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$75,378	\$332	\$22,882		\$0		\$98,592
Alberta Initiative for School Improvement	\$323,048	\$199,891	\$33,419	\$104,122	\$0		\$660,479
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$137,758		\$0		\$137,758
Class Size Initiative	\$2,021,155	\$0	\$0	\$0	\$0		\$2,021,155
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$22,028,477	\$801,185	\$1,823,515	\$0	\$0	\$487,890	\$26,471,210
TOTAL EXPENSES	\$31,510,113	\$5,582,080	\$3,207,031	\$104,122	\$0	\$490,982	\$42,238,671

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	28.6	14.2
ECS Program Unit (PUF)	8.0	34.5
Severe Disabilities (Gr 1-12)	12.8	54.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$54,179,408
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<small>The Maximum Expense Limit for Board and System Administration is based on an arithmetic proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</small>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$2,171,176
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$2,171,176
Less: 2006/2007 Board and System Administration expenses		-1,919,612
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$251,564

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$981,396
Sources of School Generated Funds:		
	Gross SGF	Related Expenses
Fundraising activities	\$838,250	\$576,777
Student fees (Non-instructional) (Note 1)	\$1,641,719	\$823,026
Donations and grants to schools	\$213,364	\$7,182
Other (describe):	\$0	(\$111,109)
Net Additions to SGF	\$2,693,333	\$1,518,094
		\$1,175,239
Net SGF Available		\$2,156,635
Uses of Net School Generated Funds:		
Extra-curricular activities		\$732,791
School site beautification		\$2,172
Field Trips		\$158,227
Equipment		\$128,051
Family literacy and other community resources		\$69
Other (describe):		\$311,053
Total Uses of Net SGF (Note 2)		\$1,332,363
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$824,272
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>		
Notes:		
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>		
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>		
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>		

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

MOBERLY HALL SCHOOL SOCIETY

Legal Name of School Jurisdiction

c/o 117 Johnson Bay, Fort McMurray, AB T9K 2N2

Mailing Address

PHONE: (780)881-1046 FAX: (780)790-1324

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of **MOBERLY HALL SCHOOL SOCIETY** presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN**Rick Fiedosiewicz**

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT**Lynn Corcoran**

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER**Teresita Pinksen**

Name

"ORIGINAL SIGNED"

Signature

10-Jan-08

Board-approved Release Date

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Briscoe & Briscoe

Professional Corporation

Norman R. Briscoe, C.G.A., FICB
Diane J. Briscoe, C.G.A. (retired)

CERTIFIED GENERAL ACCOUNTANTS

PO Box 1778
St Paul, Alberta, T0A 3A0
Telephone: (780) 545-7770
Fax: (780) 645-7755
E-mail: dnbriscoe@mcsnet.ca

AUDITORS' REPORT

To the Board of Directors:
Moberly Hall School Society

We have audited the statement of financial position of Moberly Hall School Society as at August 31, 2007 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance Canadian with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Moberly Hall School Society as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Briscoe & Briscoe

Certified General Accountants

St Paul, Alberta
September 29, 2007, except as to Note 13
which is as of November 22, 2007

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007
(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$62,364	\$344,629
Accounts receivable (net after allowances)	\$56,732	\$46,827
Prepaid expenses	\$0	\$862
Other current assets	\$0	\$6,924
Total current assets	\$139,096	\$399,242
School generated assets	\$0	\$0
Trust assets	\$0	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets	\$0	\$0
Land	\$0	\$0
Buildings	\$0	\$0
Less: accumulated amortization	\$0	\$0
Equipment	\$0	\$0
Less: accumulated amortization	\$0	\$0
Vehicles	\$0	\$0
Less: accumulated amortization	\$0	\$0
Total capital assets	\$139,096	\$399,242
TOTAL ASSETS		
LIABILITIES		
Current liabilities	\$0	\$0
Bank indebtedness	\$36,839	\$25,255
Accounts payable and accrued liabilities	\$0	\$0
Deferred revenue	\$0	\$0
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$36,839	\$25,255
Total current liabilities	\$0	\$0
School generated liabilities	\$0	\$0
Trust liabilities	\$0	\$0
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt	\$0	\$0
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion of supported debt	\$0	\$0
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$0	\$0
Total long term liabilities	\$36,839	\$25,255
TOTAL LIABILITIES		
NET ASSETS		
Unrestricted net assets	\$102,257	\$373,987
Operating Reserves	\$0	\$0
Accumulated Operating Surplus (Deficit)	\$102,257	\$373,987
Investment in capital assets	\$0	\$0
Capital Reserves	\$0	\$0
Total Capital Funds	\$102,257	\$373,987
Total net assets	\$139,096	\$399,242
TOTAL LIABILITIES AND NET ASSETS		

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$760,660	\$794,464	\$889,199
Federal Government and/or First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$2,050	\$2,500	\$3,900
Transportation fees	\$7,728	\$12,000	\$11,400
Other sales and services	\$2,382	\$200	\$3,549
Investment income	\$4,169	\$2,200	\$4,613
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$4,800	\$4,800	\$4,950
Net school generated funds	\$0	\$0	\$0
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$0	\$0	\$0
Total Revenues	\$781,789	\$816,164	\$917,611
EXPENSES			
Certificated salaries	\$423,345	\$335,230	\$362,796
Certificated benefits	\$31,920	\$30,400	\$33,064
Non-certificated salaries and wages	\$76,729	\$70,000	\$70,546
Non-certificated benefits	\$4,243	\$7,600	\$5,058
Services, contracts and supplies	\$335,538	\$363,600	\$369,260
Net school generated funds	\$0	\$0	\$0
Capital and debt services			
Amortization of capital assets			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Amortization of capital assets	\$0	\$0	\$0
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$871,775	\$806,830	\$840,724
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$89,986)	\$9,334	\$76,887
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$89,986)	\$9,334	\$76,887

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	(\$9,986)	\$76,887
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	\$0	\$0
Total amortization expense	\$0	\$0
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	(\$9,905)	\$24,882
Prepays and other current assets	\$7,786	\$805
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$11,584	\$2,619
Deferred revenue	\$0	(\$40,254)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	(\$80,521)	\$64,939
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	\$0
Equipment	\$0	\$0
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	\$0	\$0
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe) Prior years surplus repayment	(\$181,744)	\$0
Total sources (uses) of cash from Financing activities	(\$181,744)	\$0
Net sources (uses) of cash during year	(\$262,265)	\$64,939
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$344,629	\$279,690
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$82,364	\$344,629

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$373,987	\$0	\$373,987	\$0	\$0
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$373,987	\$0	\$373,987	\$0	\$0
Excess(def) of revenue over expenses	(\$89,986)		(\$89,986)		
Board funded capital transactions		\$0	\$0	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		\$0	\$0		
Amortization of capital allocations		\$0	\$0		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	(\$181,744)	\$0	(\$181,744)	\$0	\$0
Balance at August 31, 2007	\$102,257	\$0	\$102,257	\$0	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$0
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$0
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year	\$0	\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$0
Balance at August 31, 2007	\$0	\$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital

**MOBERLY HALL SCHOOL SOCIETY
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007**

1. AUTHORITY AND PURPOSE

Moberly Hall School Society delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The School Society receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school is limited on certain funding allocations and administration expenses.

Moberly Hall School Society is incorporated under the Alberta Society's Act as a non-profit organization. The society discontinued operating at the end of the 2006/2007 school year, ie at June 30, 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Furniture & Equipment	10%
-----------------------	-----

Only capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.). Moberly Hall School Society do not have any school generated funds. Funds which would normally be raised by the school and used for school activities are raised and expended by the Moberly Hall Parents Association. Staff and management of Moberly Hall School Society are not in positions of leadership or control over activities of the Parents Association. The activities of the Parents Association are not reported by Moberly Hall School.

MOBERLY HALL SCHOOL SOCIETY
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES, continued

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Moberly Hall School Society does not make pension contributions for certified staff.

f) Deposits

Included in current assets is a lease deposit for lease of portable classrooms, to be applied to final lease payment.

g) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various school projects and activities. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of capital assets. Actual results could differ from these estimates.

j) Financial Instruments

The school society's financial instruments consist of cash, accounts receivable & accounts payable. It is management's opinion that the school society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

3. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Education for living allowances	\$ 21,840	\$ 37,987
Alberta Education 2006/2007 net funding withheld (Note 11)	<u>18,685</u>	<u>-</u>
Alberta Education	40,525	37,987
G.S.T. Rebate receivable	8,758	8,840
WCB Rebate	494	-
Other	311	-
Deposit on lease of portable classrooms refund receivable	<u>6,644</u>	<u>-</u>
Total amounts receivable	<u>\$ 56,732</u>	<u>\$ 46,827</u>

4. CAPITAL ASSETS

As this is the final year of operations for the School Society, the capital assets were either donated or scrapped and were written-off.

**MOBERLY HALL SCHOOL SOCIETY
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007**

5. ACCOUNTS PAYABLE

	<u>2007</u>	<u>2006</u>
Trade Payables	\$ 13,749	\$ 15,417
Wages & Costs payable	23,090	7,091
ATRF payable	-	2,747
	<u>\$ 36,839</u>	<u>\$ 25,255</u>

6. OTHER REVENUE FROM ALBERTA EDUCATION

	<u>2007</u>	<u>2006</u>
2004-2005 One Time Grant for text books	\$ -	\$ 2,000
One Time Grant for Class room reduction	-	894
One Time Grant for Daily Physical Activity	1,020	-
Framework French programs	-	132
Final payment for Portables construction	-	374
	<u>\$ 1,020</u>	<u>\$ 3,400</u>

7. COMMITMENTS AND DISCONTINUED OPERATIONS

Moberly Hall School Society was committed under an operating lease for its premises expiring August 2007, a lease for portable classrooms expiring August 2009, and a photocopier lease expiring September 2007.

A \$6,644 deposit is held by Northgate Industries Ltd. for rent of portable classrooms. The lease has a minimum guaranteed term of 60 months from rental start date of August 1, 2004. Monthly rent payments are \$8,384.77 (\$100,617 per annum), which are funded by Alberta Education.

The society discontinued school operations at the end of the 2006/2007 school year, ie June 30, 2007. They have been advised that the Fort McMurray Public School system assumed the lease for portable classrooms as of July 1, 2007, and that the Society is no longer liable for the lease obligation. The lessor has refunded the \$6,644 deposit.

The premises and photo copier leases were paid in full.

8. RELATED PARTY TRANSACTIONS

Effective 2005/06, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Moberly Hall School Society had related party transactions for the period ended August 31, 2007 with Edmonton Public Schools recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

	<u>Balances</u>		<u>Transactions</u>	
	<u>Assets (@ cost or net realizable value)</u>	<u>Liabilities (@ fair value)</u>	<u>Revenues</u>	<u>Expenses</u>
2006-2007				
Government of Alberta:				
Education	\$ 40,525	\$ -	\$ 637,534	\$ -
Infrastructure & Transportation	-	-	123,127	-
Other:				
Post-secondary institutions	-	-	-	50
Other Alberta school jurisdictions	-	-	-	728
Alberta WCB	-	-	1,640	4,091
TOTAL 2006-2007	<u>\$ 40,525</u>	<u>\$ -</u>	<u>\$ 762,301</u>	<u>\$ 4,869</u>
TOTAL 2005-2006	<u>\$ 37,987</u>	<u>\$ -</u>	<u>\$ 891,003</u>	<u>\$ 13,681</u>

**MOBERLY HALL SCHOOL SOCIETY
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007**

9. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Moberly Hall School Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

10. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the board of trustees. It is presented for information purposes only.

11. ACCOUNTS RECEIVABLE AND REPAYMENT OF ACCUMULATED SURPLUS

During the year ended August 31, 2007 Alberta Education withheld \$204,800 from 2006/2007 funding as a repayment of Alberta Education's share of the society's accumulated operating surplus, resulting in an account receivable calculated as follows:

Portion of prior period AOS related to Alberta Education funding		\$ 278,959
2006/07 deficit	\$ 89,986	
less 2006/07 discretionary funds		
Interest earned on discretionary funds	\$ 47	
Other sales & services	2,382	
Rental revenue	<u>4,800</u>	
2006/07 discretionary funds	<u>7,229</u>	
2006/07 deficit before discretionary revenue		<u>97,215</u>
Portion of accumulated operating surplus (AOS) to be repaid		\$ 181,744
Less:		
2006/2007 funding withheld		<u>(204,800)</u>
Balance of AOS repayment payable (receivable)		<u>(23,056)</u>
Over-payment of lease funding		<u>4,371</u>
Account payable to (receivable from) Alberta Education		<u>\$ (18,685)</u>

The repayment to Alberta Education is calculated as follows:

Amount withheld by Alberta Education	\$ 204,800
Account receivable per above	<u>(18,685)</u>
	186,115
Offset account payable for over-payment of lease funding	<u>(4,371)</u>

Payment of accumulated surplus to Alberta Education \$ 181,744

12. DISCONTINUED OPERATIONS

Moberly Hall School Society discontinued operating the Moberly Hall Charter School as of June 30, 2007 and plans to wind up the Society. After accounts receivable have been collected and all liabilities are paid any remaining assets and cash will be donated to other non-profit organizations.

13. SUBSEQUENT EVENT AND LIVING ALLOWANCE

On November 22, 2007 Moberly Hall Charter School received, from Alberta Education, and paid to their employees a \$21,840 living allowance for the period ended August 31, 2007. The allowance and related employer costs are included in these financial and the are reported in the figures in Note 14.

**MOBERLY HALL SCHOOL SOCIETY
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007**

14. REMUNERATION AND MONETARY INCENTIVES

The Moberly Hall School Society had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERTIP's/Other	Expenses
Chair: Janet Douglas	0.5						
Chair: Rick Fiedosiewich	0.5	\$0	\$0	\$0	\$0	\$0	\$0
Other members:							
Nanette Clark	1.0	\$0	\$0	\$0	\$0	\$0	\$0
Stacey Brennan	1.0	\$0	\$0	\$0	\$0	\$0	\$0
Holly Fulford	1.0	\$0	\$0	\$0	\$0	\$0	\$0
Janet Douglas	0.5	\$0	\$0	\$0	\$0	\$0	\$0
Rick Fiedosiewich	0.5	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	5.0	\$0	\$0	\$0	\$0	\$0	\$0
Superintendent: Lynn Corcoran	0.5	\$12,600	\$0	\$0	\$0	\$0	\$1,041
Secretary/Treasurer: Terisita Pinksen	0.5	\$20,630	\$0	\$0	\$0	\$0	\$425
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers	7.0	\$331,625	\$31,920	\$18,720	\$0	\$73,000	
Non-certificated-Other	2.0	\$63,609	\$4,243	\$3,120	\$0	\$10,000	
TOTALS		\$428,464	\$36,163	\$21,840	\$0	\$83,000	

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

MOBERLY HALL SCHOOL SOCIETY

Legal Name of School Jurisdiction

c/o 117 Johnson Bay, Fort McMurray, AB T9K 2N2

Mailing Address

PHONE: (780)881-1046 FAX: (780)790-1324

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Teresita Pinksen

Name

"ORIGINAL SIGNED"

Signature

10-Jan-08

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10156-102 Street, Edmonton AB T6J 4L6
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 423-8998

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SCHEDULE A
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

School Jurisdiction Code 27

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$760,860	\$556,277	\$146,017	\$0	\$58,366	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0	\$0		
(3) Alberta Finance	\$0		\$0			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$0	\$0	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$2,050	\$2,050				
(10) Transportation fees	\$7,728			\$7,728		
(11) Other sales and services	\$2,382	\$326	\$1,640	\$0	\$416	\$0
(12) Investment income	\$4,169	\$4,169	\$0	\$0	\$0	\$0
(13) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(14) Rentals of facilities	\$4,800	\$0	\$4,800	\$0	\$0	\$0
(15) Net school generated funds	\$0	\$0			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$0	\$0	\$0	\$0		\$0
(18) TOTAL REVENUES	\$781,789	\$562,822	\$152,457	\$7,728	\$58,782	\$0
EXPENSES						
(19) Certificated salaries	\$423,345	\$423,345			\$0	\$0
(20) Certificated benefits	\$31,820	\$31,820			\$0	\$0
(21) Non-certificated salaries and wages	\$76,729	\$76,729	\$0	\$0	\$0	\$0
(22) Non-certificated benefits	\$4,243	\$4,243	\$0	\$0	\$0	\$0
(23) SUB - TOTAL	\$536,237	\$536,237	\$0	\$0	\$0	\$0
(24) Services, contracts & supplies	\$335,538	\$36,007	\$195,722	\$57,400	\$46,409	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$0	\$0				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(28) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(29) Total Amortization	\$0	\$0	\$0	\$0	\$0	\$0
Interest on capital debt						
(30) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$871,775	\$572,244	\$195,722	\$57,400	\$46,409	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$89,986)	(\$9,422)	(\$43,265)	(\$49,672)	\$12,373	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$534,370
Additional Funding for Differential Cost Factors	\$203,067
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$12,159
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISi)	\$9,408
SuperNet Services	\$0
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$636
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe) One-time Grant	\$1,020
Total Alberta Education Revenues	\$780,660

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$14,849	\$57,883	\$3,596		\$0	\$0	\$76,331
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$0	\$0	\$0		\$0		\$0
ECS Program Unit (PUF)	\$0	\$0	\$0		\$0		\$0
Severe Disabilities (Gr 1-12)	\$0	\$0	\$0		\$0		\$0
English as a Second Language (ESL)	\$0	\$0	\$0		\$0		\$0
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$8,054	\$0	\$354	\$0	\$0		\$9,408
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$0		\$0		\$0
Class Size Initiative	\$0	\$0	\$0	\$0	\$0		\$0
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$431,382	\$23,089	\$30,686	\$1,368	\$0	\$0	\$486,505
TOTAL EXPENSES	\$455,265	\$80,972	\$34,638	\$1,368	\$0	\$0	\$572,244

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$871,776
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<small>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</small>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$52,307
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$58,366	\$58,366
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$58,366
Less: 2006/2007 Board and System Administration expenses		\$46,409
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$11,957

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$0																		
Sources of School Generated Funds:	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$0	\$0	Student fees (Non-Instructional) (Note 1)	\$0	\$0	Donations and grants to schools	\$0	\$0	Other (describe):	\$0	\$0	Net Additions to SGF	\$0	\$0	
Gross SGF	Related Expenses	Net SGF																		
Fundraising activities	\$0	\$0																		
Student fees (Non-Instructional) (Note 1)	\$0	\$0																		
Donations and grants to schools	\$0	\$0																		
Other (describe):	\$0	\$0																		
Net Additions to SGF	\$0	\$0																		
Net SGF Available		\$0																		
Uses of Net School Generated Funds:	<table border="1" style="width:100%; border-collapse: collapse;"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$0</td> </tr> <tr> <td>School site beautification</td> <td align="right">\$0</td> </tr> <tr> <td>Field Trips</td> <td align="right">\$0</td> </tr> <tr> <td>Equipment</td> <td align="right">\$0</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$0</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$0</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="right">\$0</td> </tr> </tbody> </table>	Extra-curricular activities	\$0	School site beautification	\$0	Field Trips	\$0	Equipment	\$0	Family literacy and other community resources	\$0	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$0					
Extra-curricular activities	\$0																			
School site beautification	\$0																			
Field Trips	\$0																			
Equipment	\$0																			
Family literacy and other community resources	\$0																			
Other (describe):	\$0																			
Total Uses of Net SGF (Note 2)	\$0																			
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$0																		
<p><small>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</small></p> <p>Notes:</p> <ol style="list-style-type: none"> 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF. 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements. 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position. 																				

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Mother Earth's Children's Charter School Society

Legal Name of School Jurisdiction

Box 1150, Wabamun, AB T0E 2K0

Mailing Address

Phone 780-892-7222 Fax 780-892-7223

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Mother Earth's Children's Charter School Society presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements for Alberta school jurisdictions.

BOARD CHAIRMAN**Howard Mustus**

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT**John Brosseau**

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER**Esther Janetzki**

Name

"ORIGINAL SIGNED"

Signature

14-Nov-07

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 (Toll free 310-0000)

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COLIN PRESIZNIUK ^Gs ASSOCIATES

Professional Accountants

107, White Oaks Square, 12222 - 137 Avenue
Edmonton, Alberta T5L 4X5 Phone (780) 448-7317 Fax (780) 456-8223

AUDITOR'S REPORT

To the Board of Trustees
Mother Earth's Children's Charter School Society

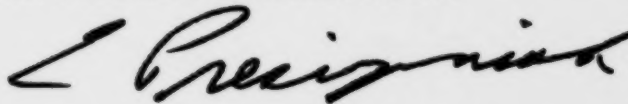
We have audited the statement of financial position of **Mother Earth's Children's Charter School Society** as at August 31, 2007 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2007 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Another professional accounting firm completed the prior year audit.

Colin Presizniuk & Associates
CERTIFIED GENERAL ACCOUNTANTS



, MBA, CGA, FCCI, TEP

October 30, 2007
Edmonton, Alberta

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$354,401	\$233,745
Accounts receivable (net after allowances)	\$57,072	\$89,002
Prepaid expenses	\$4,404	\$6,902
Other current assets	\$0	\$0
Total current assets	\$415,877	\$329,649
School generated assets	\$0	\$1,718
Trust assets	\$0	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$0	\$0
Buildings	\$60,207	
Less: accumulated amortization	(\$48,165)	\$12,042
Total	\$12,042	\$24,084
Equipment	\$45,245	
Less: accumulated amortization	(\$4,427)	\$40,818
Total	\$40,818	\$22,134
Vehicles	\$130,150	
Less: accumulated amortization	(\$13,015)	\$117,135
Total	\$117,135	\$130,149
Total capital assets	\$169,995	\$176,367
TOTAL ASSETS	\$585,872	\$507,734
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$107,953	\$62,209
Deferred revenue	\$30,101	\$70,160
Deferred capital allocations	\$0	\$0
Current portion of all long term debt	\$0	\$0
Total current liabilities	\$138,054	\$132,369
School generated liabilities	\$0	\$1,718
Trust liabilities	\$0	\$0
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion of supported debt	\$0	\$0
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$0	\$0
Total long term liabilities	\$0	\$1,718
TOTAL LIABILITIES	\$138,054	\$134,087
NET ASSETS		
Unrestricted net assets	\$277,823	\$197,280
Operating Reserves	\$0	\$0
Accumulated Operating Surplus (Deficit)	\$277,823	\$197,280
Investment in capital assets	\$169,995	\$176,367
Capital Reserves	\$0	\$0
Total Capital Funds	\$169,995	\$176,367
Total net assets	\$447,818	\$373,647
TOTAL LIABILITIES AND NET ASSETS	\$585,872	\$507,734

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$768,417	\$834,031	\$940,829
Federal Government and/or First Nations	\$525,851	\$364,364	\$422,342
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$0	\$0	\$0
Transportation fees	\$0	\$0	\$0
Other sales and services	\$668	\$0	\$3,841
Investment income	\$6,889	\$0	\$5,846
Gifts and donations	\$0	\$0	\$1,410
Rentals of facilities	\$0	\$0	\$0
Net school generated funds	\$3,468	\$0	\$0
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$0	\$0	\$0
Total Revenues	\$1,305,293	\$1,198,395	\$1,374,268
EXPENSES			
Certificated salaries	\$470,176	\$486,850	\$460,499
Certificated benefits	\$37,407	\$51,125	\$38,879
Non-certificated salaries and wages	\$214,712	\$226,090	\$162,634
Non-certificated benefits	\$21,705	\$29,336	\$17,828
Services, contracts and supplies	\$453,504	\$429,294	\$556,983
Net school generated funds	\$3,468	\$0	\$0
Capital and debt services			
Amortization of capital assets			
Supported	\$0	\$0	\$0
Unsupported	\$29,483	\$31,250	\$22,604
Total Amortization of capital assets	\$29,483	\$31,250	\$22,604
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$667	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$1,231,122	\$1,253,945	\$1,259,427
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$74,171	(\$55,550)	\$114,841
Extraordinary item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$74,171	(\$55,550)	\$114,841

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$74,171	\$114,845
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	\$0	\$0
Total amortization expense	\$29,483	\$22,604
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$31,930	(\$27,276)
Prepays and other current assets	\$2,498	(\$3,924)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$45,744	\$31,082
Deferred revenue	(\$40,059)	\$66,835
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$143,767	\$204,166
B. INVESTING ACTIVITIES		
Purchases of capital assets	\$0	\$0
Land	\$0	\$0
Buildings	(\$23,111)	(\$22,134)
Equipment		(\$130,150)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	(\$4,144)
Other (describe)	(\$23,111)	(\$156,428)
Total sources (uses) of cash from investing activities	(\$23,111)	(\$156,428)
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$0	\$0
Net sources (uses) of cash during year	\$120,656	\$47,738
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$233,745	\$186,007
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$354,401	\$233,745

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2007

(In dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$376,972	\$176,367	\$200,605	\$0	\$0
<u>Prior period adjustments (describe)</u>					
Deferred AISI Revenue re 05/06	(\$3,325)	\$0	(\$3,325)	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$373,647	\$176,367	\$197,280	\$0	\$0
Excess(def) of revenue over expenses	\$74,171		\$74,171		
Board funded capital transactions		\$23,111	(\$23,111)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$29,483)	\$29,483		
Amortization of capital allocations		\$0	\$0		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$447,818	\$169,995	\$277,823	\$0	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$0	\$0
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$0	\$0
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *		
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year		\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other		
Capital allocations amortized to revenue		\$0
Balance at August 31, 2007	\$0	\$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Mother Earth's Children's Charter School Society

NOTES TO FINANCIAL STATEMENTS As at August 31, 2007

NOTE 1 – PURPOSE OF ORGANIZATION

The Society delivers educational programs under the authority of the School Act, Chapter S-3 Statutes of Alberta, January 1, 2002.

The Society receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits to reallocate funding between the instruction and support blocks.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting:

The corporation follows the restricted fund method of accounting for contributions. The operating funds accounts for the society's operating and administrative activities. The capital fund reports the property and equipment.

Revenue Recognition:

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Property and Equipment:

Property and equipment is recorded at cost and is amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Automotive equipment	10 years
Computer and media equipment	5 years
Leasehold improvements	5 years

Only property and equipment with cost in excess of \$5,000 are capitalized. No amortization is recorded in the year of acquisition.

School Generated Funds:

School generated funds are funds that come under the control and responsibility of the school principal for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level. (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Vacation Pay:

Vacation pay is accrued in the period in which the employee earns the benefit.

CPA †

Mother Earth's Children's Charter School Society

NOTES TO FINANCIAL STATEMENTS

As at August 31, 2007

Pensions:

The current service and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the members contribute to the fund through payroll deductions. The Society does not make pension contributions for the staff.

Prepaid expenses:

Certain expenses incurred and paid for before the close of the fiscal year are for specific school supplies, which will be consumed subsequent to the year-end and are recorded as prepaid expenses. Insurance also falls into this category.

Contributed Services:

Volunteer services contributed on behalf of the Society in carrying out its operating activities are not recognized in these financial statements due to the difficulty of determining their fair value and the fact that such services are generally not otherwise purchased.

Financial instruments:

The Society's financial instruments consist of cash, term deposits, accounts receivable, prepaid expenses and accounts payable. Unless otherwise indicated, it is management's opinion the Society is not exposed to significant interest or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Investments:

Short-term investments are valued at the lower of cost or market.

Use of Estimates:

The preparation of the financial statements of the Society is in conformity with generally accepted accounting principles. This requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative figures:

Certain prior year figures have been reclassified to conform to the presentation adopted in the current year.

NOTE 3 – ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Federal Government	\$ 12,232	\$ 76,174
Alberta Education	4,386	9,808
Other	3,845	3,020
Alexis Board of Education	<u>36,609</u>	<u>-</u>
	<u>\$ 57,072</u>	<u>\$ 89,002</u>

CPA †

Mother Earth's Children's Charter School Society

NOTES TO FINANCIAL STATEMENTS

As at August 31, 2007

NOTE 4 – PROPERTY AND EQUIPMENT

<u>Description</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2007 Net Book Value</u>	<u>2006 Net Book Value</u>
Automotive equipment	130,150	(13,015)	117,135	130,150
Computer and media equipment	45,244	(4,427)	40,817	22,134
Leasehold improvements	<u>60,207</u>	<u>(48,165)</u>	<u>12,042</u>	<u>24,083</u>
	<u>\$235,601</u>	<u>(\$65,607)</u>	<u>\$169,994</u>	<u>\$176,367</u>

NOTE 5 – ACCOUNTS PAYABLE

	<u>2007</u>	<u>2006</u>
Trade payables and accrued liabilities	\$100,269	\$ 29,771
Alberta Education	7,281	-
Province of Alberta	-	20,016
Federal Government	<u>403</u>	<u>12,422</u>
	<u>\$107,953</u>	<u>\$ 62,209</u>

NOTE 6 – DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Federal Government	\$ -	\$ 36,835
Province of Alberta		
Learning Resources	536	-
AISI	16,152	-
Video conferencing grant	13,413	30,000
Adjustment - AISI	<u>-</u>	<u>3,325</u>
	<u>\$ 30,101</u>	<u>\$ 70,160</u>

NOTE 7 – COMMITMENTS

School Lease

The Society is committed to a lease agreement with 682533 Alberta Ltd. that expires August 31, 2008. The annual lease payments are \$48,000.

CPA †

Mother Earth's Children's Charter School Society

NOTES TO FINANCIAL STATEMENTS

As at August 31, 2007

Portable Lease

The Society is committed to a lease agreement with CIT Financial with expires August 31, 2008. Annual lease payments of \$39,290 are required during the term.

Equipment Leases

The Society is committed to a lease agreement with DeLage Landen Financial Services for photocopier equipment which expires August 31, 2009. Annual lease payments of \$8,381 are required during the term of the lease.

NOTE 8 – ECONOMIC DEPENDENCE

The Society's primary sources of revenue are received from the Province of Alberta and the Government of Canada. The Society's ability to continue viable operations is dependent on this funding.

NOTE 9 – ACCOUNTING ADJUSTMENT

An adjustment was done to the prior year equity to reflect the deferred revenue that was posted incorrectly as revenue.

NOTE 10 – RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The School Division had no related party transactions for the year ended August 31, 2007 with the Provincial Government other than Alberta Education.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
2006-2007				
Government of Alberta:				
Education	\$4,386	\$ 7,281	\$768,417	*
Infrastructure & Transportation	0	0	0	0
Finance	0	0	0	0
Health & Wellness	0	0	0	0
Human Resources/Employment	0	0	0	0
Other Gov't of Alberta departments	0	0	0	0
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta school jurisdictions	0	0	0	0
Other related parties	0	0	0	0
TOTAL 2006-2007	\$4,386	\$ 7,281	\$ 768,417	*
TOTAL 2005-2006	\$9,808	\$ 20,016	\$ 940,828	*

* There is no practical way to separate which expenses are paid from funds received from the Province of Alberta as compared to other sources of revenue.

CPA †

Mother Earth's Children's Charter School Society

NOTES TO FINANCIAL STATEMENTS As at August 31, 2007

NOTE 11 – RENUMERATION AND MONETARY INCENTIVES

Mother Earth's Children's Charter School had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's/ Other	Total	Expenses
Board Members								
Chair Person								
Wilson Bearhead	0.17							
Howard Mustus	0.83							
Other Board Members								
Howard Mustus	0.17							
Patti Laboucane-Benson	1.00							
Karen Erickson	1.00							
Jack Piche	1.00							
Shane Jezioro	1.00							
Jeremy SeeSeequasis	0.08							
Subtotal	5.25							
Superintendent								
John Acheson	0.21	\$25,860					\$25,860	
John Brosseau	0.09	\$10,192					\$10,192	
Secretary/Treasurer								
Secretary/Treasurer	0.30	\$23,640					\$23,640	\$1,864
Certified Salaries	8.50	\$470,176	\$37,407				\$507,583	
Uncertificated Salaries & Wages	8.90	\$214,712	\$21,705				\$236,417	
TOTALS		\$744,580	\$59,112				\$803,692	\$1,864

CPA †

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY

Legal Name of School Jurisdiction

BOX 1150, WABAMUN, AB T0E 2K0

Mailing Address

780-892-7222 (PH) 780-892-7223 (FAX)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

EstherJanetzki

Name

"ORIGINAL SIGNED"

Signature

14-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
 8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L6
 EMAIL: Cindy.Jarry@gov.ab.ca
 PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code: 154

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$768,417	\$398,808	\$282,864	\$28,379	\$58,366	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$0		\$0			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$525,851	\$401,164	\$124,687	\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$0	\$0				
(10) Transportation fees	\$0			\$0		
(11) Other sales and services	\$668	\$668	\$0	\$0	\$0	\$0
(12) Investment income	\$6,889	\$0	\$0	\$0	\$6,889	\$0
(13) Gifts and donations	\$0		\$0	\$0		\$0
(14) Rentals of facilities	\$0	\$0	\$0	\$0	\$0	\$0
(15) Net school generated funds	\$3,468	\$3,468			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$0	\$0	\$0	\$0		\$0
(18) TOTAL REVENUES	\$1,305,293	\$804,108	\$407,551	\$28,379	\$65,255	\$0
EXPENSES						
(19) Certificated salaries	\$470,176	\$470,176			\$0	\$0
(20) Certificated benefits	\$37,407	\$37,407			\$0	\$0
(21) Non-certificated salaries and wages	\$214,712	\$180,083	\$28,359	\$26,270	\$0	\$0
(22) Non-certificated benefits	\$21,705	\$17,205	\$2,717	\$1,783	\$0	\$0
(23) SUB - TOTAL	\$744,000	\$684,871	\$31,076	\$28,053	\$0	\$0
(24) Services, contracts & supplies	\$453,504	\$136,068	\$224,696	\$24,475	\$68,265	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$3,468	\$3,468				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(28) Unsupported	\$29,483	\$4,427	\$12,041	\$13,015	\$0	\$0
(29) Total Amortization	\$29,483	\$4,427	\$12,041	\$13,015	\$0	\$0
Interest on capital debt						
(30) Supported	\$0	\$0	\$0	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$667	\$0	\$0	\$0	\$667	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$1,231,122	\$828,834	\$267,813	\$65,543	\$68,932	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$74,171	(\$24,726)	\$139,738	(\$37,164)	(\$3,677)	\$0

SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007

	TOTAL
Base Funding	\$195,767
Additional Funding for Differential Cost Factors	\$478,650
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$10,266
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AIS)	\$228
SuperNet Services	\$4,761
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$642
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe) Videoconferencing, portable move	\$78,102
Total Alberta Education Revenues	\$768,417

SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$65,131	\$37,722	\$30,104		\$0	\$3,468	\$136,425
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$0	\$0	\$0		\$0		\$0
ECS Program Unit (PUF)	\$0	\$0	\$0		\$0		\$0
Severe Disabilities (Gr 1-12)	\$0	\$109,726	\$0		\$0		\$109,726
English as a Second Language (ESL)	\$0	\$0	\$0		\$0		\$0
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$16,284	\$29,840	\$25,972		\$0		\$72,096
Alberta Initiative for School Improvement	\$0	\$0	\$12	\$216	\$0		\$228
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$4,892		\$0		\$4,892
Class Size Initiative	\$0	\$0	\$0	\$0	\$10,266		\$10,266
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$426,168		\$71,743	\$7,556	(\$10,266)	\$0	\$495,201
TOTAL EXPENSES	\$507,583	\$177,288	\$132,723	\$7,772	\$0	\$3,468	\$828,834
FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated					
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0					
ECS Program Unit (PUF)	0.0	0.0					
Severe Disabilities (Gr 1-12)	0.0	4.7					

SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		\$1,231,122
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:		
If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetic proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).</p>		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		\$73,867
Considerations for Charter Schools and Small School Boards		
If Charter School, enter \$58,366	\$0	\$0
If School Board, please enter your 2006-2007 Gr 1-12 funded enrollment	0	
	\$0	\$0
2006-2007 MAXIMUM EXPENSE LIMIT		\$73,867
Less: 2006/2007 Board and System Administration expenses		-\$68,932
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		\$4,935

SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007

Unexpended SGF - Opening Balance August 31, 2006		\$1,718																		
Sources of School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="center">\$0</td> <td align="center">\$0</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="center">\$0</td> <td align="center">\$0</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="center">\$1,750</td> <td align="center">\$1,750</td> </tr> <tr> <td>Other (describe):</td> <td align="center">\$0</td> <td align="center">\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="center">\$1,750</td> <td align="center">\$1,750</td> </tr> </tbody> </table>	Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$0	\$0	Student fees (Non-Instructional) (Note 1)	\$0	\$0	Donations and grants to schools	\$1,750	\$1,750	Other (describe):	\$0	\$0	Net Additions to SGF	\$1,750	\$1,750	
Gross SGF	Related Expenses	Net SGF																		
Fundraising activities	\$0	\$0																		
Student fees (Non-Instructional) (Note 1)	\$0	\$0																		
Donations and grants to schools	\$1,750	\$1,750																		
Other (describe):	\$0	\$0																		
Net Additions to SGF	\$1,750	\$1,750																		
Net SGF Available		\$3,468																		
Uses of Net School Generated Funds:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="center">\$0</td> </tr> <tr> <td>School site beautification</td> <td align="center">\$0</td> </tr> <tr> <td>Field Trips</td> <td align="center">\$0</td> </tr> <tr> <td>Equipment</td> <td align="center">\$0</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="center">\$0</td> </tr> <tr> <td>Other (describe): T-Shirts for Track Meet, Funds Pd to Tamariki Society to start Independent Hot Lunch Program</td> <td align="center">\$3,468</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="center">\$3,468</td> </tr> </tbody> </table>	Extra-curricular activities	\$0	School site beautification	\$0	Field Trips	\$0	Equipment	\$0	Family literacy and other community resources	\$0	Other (describe): T-Shirts for Track Meet, Funds Pd to Tamariki Society to start Independent Hot Lunch Program	\$3,468	Total Uses of Net SGF (Note 2)	\$3,468					
Extra-curricular activities	\$0																			
School site beautification	\$0																			
Field Trips	\$0																			
Equipment	\$0																			
Family literacy and other community resources	\$0																			
Other (describe): T-Shirts for Track Meet, Funds Pd to Tamariki Society to start Independent Hot Lunch Program	\$3,468																			
Total Uses of Net SGF (Note 2)	\$3,468																			
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)		\$0																		
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the School Act, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p>																				
Notes:																				
<p>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</p>																				
<p>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.</p>																				
<p>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</p>																				

we explore

we encourage

we educate